

THE GLOBAL NEWSPAPER
 Edited in Paris
 Printed Simultaneously
 in Paris, London, Zurich
 and Hong Kong

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 30,953

LONDON, THURSDAY, AUGUST 26, 1982

ESTABLISHED 1887



U.S. Marines were on duty Wednesday as part of the multinational peacekeeping force in Beirut as flag-waving PLO guerrillas passed through a checkpoint en route to an evacuation ship.

Tunisia Is Proud but Nervous

PLO Haven Hopes to Impart Moderation to Its Guests

By Bradley Graham
 Washington Post Service

TUNIS — From a scrubbed white terrace at the beachfront Salwa Hotel, soon to be the working home of a group of Palestinian leaders led by Yasser Arafat, the hotel manager, Youssef Bonagila, pointed to the bazaar off to one side, the two tennis courts, and the boules and camels available for riding.

Then, showing a Tunisian flair for hospitality, Mr. Bonagila said, "I think the PLO are going to like it here."

Proudly, but with a trace of underlying anxiety, Tunisia is awaiting the arrival Thursday of a boatload of 1,100 Palestinian Liberation Organization guerrillas and their leaders, as its officials express the hope that this Arab nation's reputation for moderation will rub off on the militant organization.

Recognition of Israel

Tunisia's president, Habib Bourguiba, took an initial step to that end Tuesday, issuing a statement saying he planned to ask leaders at next month's Arab summit to accept a formula for the recognition of Israel based on the 1947 United Nations resolution that called for the partition of Palestine into Israeli and Palestinian states.

For Tunisia's 79-year-old president, who has ruled this small country of 6.4 million since its independence from France in 1956, playing host to the PLO is another enhancement to his credentials in the Arab world. The Arab League already is headquartered here.

The nature of the PLO offices here remains unclear. The dispersal of PLO forces to eight Arab states and the detachment of a number of key PLO executive committee members to Damascus, where the organization's 300-member Palestine National Council is expected to meet, leaves the location of the PLO's principal headquarters in doubt.

Government officials here, however, expect Mr. Arafat to make Tunisia a central point in the PLO network after it is dispersed from Beirut, and they see a chance to help the Palestinian leader build a more moderate political platform, encouraging the shift from military to political activity.

Proposal Revived

In presenting his proposal for recognition of Israel, Mr. Bourguiba now clearly figures that the general Arab attitude on the question has moderated. He made the same motion in a 1965 speech in Jericho, provoking the wrath of Egyptian President Gamal Abdel Nasser and causing a number of Arab states to sever ties with Tunisia.

A senior government official said privately that the plan is being floated now "to allow the PLO to have a new political basis from which it can talk." He said he did not expect the summit meeting to endorse the proposal.

The Tunisian suggestion goes further than the eight-point program put forward a year ago by Saudi Arabia. That initiative called for the establishment of an independent Palestinian state in Israel-occupied West Bank and Gaza Strip and the right of all nations in the Middle East to live in peace—a provision that was interpreted to include Israel.

Mr. Arafat supported the Saudi proposal, but it failed to win endorsement at the summit conference in Fez, Morocco. The specifics of the Bourguiba plan have not been released.

Specifics of Host Role

Meanwhile, Tunisians appear somewhat anxious about the specifics of their new role as host to the PLO.

About 150 PLO officers will be housed in the Salwa Hotel, located in the small coastal town of Bordj Cedria, about a 20-minute drive south of Tunis. The main contingent of guerrillas will be housed in a makeshift camp about an hour's drive west of Tunis near the town of Béja, in an area described by one U.S. official as "looking a little like southern Lebanon."

In the beginning, at least, Tunisian authorities will strictly control the flow of the Palestinian guerrillas in and out of the Béja camp. The guerrillas will be asked to surrender their firearms to the Tunisian government before getting off the boat Thursday.

But Tunisian officials say they have an agreement with the PLO that will allow the organization a certain freedom of operation on the understanding that the PLO will not interfere with Tunisian affairs or do anything that might harm the Tunisian national image.

Begin Predicts Pact With Lebanon

Compiled by Our Staff From Dispatches

JERUSALEM — Prime Minister Menachem Begin told visiting U.S. congressmen Wednesday that he expected Israel to sign a peace treaty "in the near future" with Lebanon. But a Syrian military official warned Lebanon's president-elect, Bashir Gemayel, that such a treaty would lead to "a state of war."

The comments were made as a group of 500 PLO guerrillas left Beirut by sea for Syria under the supervision of U.S. Marines after the Palestinians said they feared being attacked along an overland route to Damascus.

Mr. Begin's prediction of a peace treaty was reported by Rep. James H. Scheuer, Democrat of New York, after the congressmen met with the prime minister for 45 minutes.

The Israeli newspaper Ma'ariv reported Tuesday that Mr. Gemayel, the leader of Lebanon's Phalangist Christian militia who is to take office as president on Sept. 23, had indicated to an Israeli official recently that he planned to conclude a peace treaty in six to seven months.

A Syrian military official who refused to be named told The Associated Press in Damascus on Wednesday, "In case Gemayel signs a security or peace pact with Israel, Syria will consider itself in a state of war with him." He did not make it clear whether he meant Lebanon or Mr. Gemayel himself.

Rep. Scheuer also reported that Mr. Begin had said he wants the Camp David-mandated Palestinian autonomy talks with Egypt to resume immediately after the PLO evacuation of Beirut, expected to be completed within two weeks. Egypt, however, has said it will not resume the negotiations until Israeli troops leave Lebanon.

In Beirut, the PLO evacuation to Syria by ship took place after Israeli announced that the overland evacuation of guerrillas to Syria, called for in the U.S.-mediated agreement for a peaceful evacuation of the Lebanese capital, had been canceled.

Heavy shelling was reported Tuesday along the highway connecting Beirut and Damascus, and Palestinian Liberation Organization spokesmen in Beirut said the danger of attacks on guerrilla convoys by Israeli forces or Israeli-backed Christian militia prompted the PLO to ask that the overland stage of the evacuation be canceled.

A spokesman for the U.S. Embassy, which is closely involved in the evacuation arrangements, said the fighters had boarded the Cyprus ferry Sol Georgios and had set sail for Tartous in northern Syria. Palestinian sources said that among those aboard was Hani al-Hassan, the PLO's chief negotiator in the two-month evacuation talks. It was the first reported departure of a leading PLO official since the evacuation began.

Another 500 Palestinian fighters set sail Wednesday for Sudan, but the last-minute departure of the guerrillas for Syria caused schedule changes for other guerrilla evacuations. The departure of 1,000 guerrillas bound for North Yemen was delayed until Thursday, when a large enough ship could be chartered.

The Syrian military announced in Damascus it would provide trucks to begin an evacuation to Syria on Thursday of Syrian troops and Palestinian Liberation Army guerrillas under Syrian command.

By Israeli and French count, nearly 2,700 PLO guerrillas left Beirut by ship for Jordan, Iraq, Tunisia and Southern Yemen in the first four days of the evacuation, which began Saturday. The total number to be evacuated is estimated at 11,500.

The 800 Marines making up the U.S. contingent of the multinational peacekeeping force poured ashore from amphibious vehicles onto Beirut beach just after dawn Wednesday. Philip C. Habib, the special U.S. envoy, was there to greet them, wearing the Marine Corps emblem on his chest pocket.

The Marines took over control of the capital's port area from the 350 French troops who had been stationed there since Saturday.

The commander of the U.S. forces, Col. James Mead, 47, said sharply to the French commander, "I relieve you."

The French officer replied without a trace of irony in his voice.

The French, who will be joined Thursday by about 450 more paratroopers, then took up new stations on both sides of the Museum Crossing of the Green Line that separates mostly Moslem West Beirut from Christian-controlled East Beirut.

About 500 Italian troops are to join the French and U.S. soldiers.

6 Countries in EEC Subsidizing Steel, U.S. Inquiry Finds

By Thomas W. Lippman
 Washington Post Service

WASHINGTON — The Commerce Department, sharply revising figures issued in June, reported Wednesday that six European Economic Community nations, led by Italy, are subsidizing steel products exported to the United States by as much as 26 percent.

After an investigation that occupied 70 staff members for eight months and cost an estimated \$5 million, the department found that the government-owned British Steel Corp. and two major French steelmakers are subsidized much less than previously estimated, but that exports of Italsider, the big Italian steelmaker, are receiving a subsidy of 26 percent rather than 18.3 percent.

The Commerce Department findings were sent to the U.S. International Trade Commission, which is conducting a parallel inquiry into the extent to which hard-pressed American steelmakers are damaged by the subsidized foreign competition.

Duties Possible

The trade commission must rule by mid-October. If it finds that U.S. steelmakers have been damaged by the subsidized imports, duties equal to the size of the subsidies will be imposed on the imported products. Meanwhile, supporters of the subsidized steel must continue to post bonds guaranteeing payment of the countervailing duties. The trade commission has scheduled hearings on the damage question beginning Sept. 1.

Commerce Secretary Malcolm Baldrige took the occasion of the release of the final subsidy report to criticize the American steel firms obliquely for rejecting a proposed settlement that he negotiated with EEC officials.

The settlement, under which the Europeans would have agreed to limit some exports, "would provide the U.S. industry with greater stability than would be afforded by incessant litigation," he said. "To date, several U.S. producers have indicated a preference to see the cases to conclusion."

No Accord in View

The steel dispute has become a major irritant in U.S.-European relations, but sources in the government and the steel industry said no settlement is in sight.

Wednesday's report was essentially a refinement of the preliminary assessment issued in June. The big surprise concerned West Germany, where seven of the eight manufacturers were found to be receiving negligible subsidies of less than 1 percent, and the other a subsidy of only 1.13 percent.

The subsidy rate for British Steel was reduced from an estimated 40.36 percent to 20.33 percent. Steelmakers in Belgium and Luxembourg were found to be subsidized by as much as 21.8 percent. No dutiable subsidy was found on steel from the Netherlands or South Africa.



Malcolm Baldrige

INSIDE

■ The most popular politician in Wisconsin, William Proxmire cultivates an image of parsimony and populism that appears to sit very well with voters. But his critics accuse him of demagoguery and hypocrisy. Page 3.

■ Arthur Hummel Jr., the U.S. ambassador to China, has moved with equal ease in the adventurous world of guerrilla warfare and in the measured life of diplomacy. Page 5.

■ Scientists at a nuclear facility near Geneva are ready to launch into a whole new world of physics in a project whose scope and complexity has much in common with space missions. Page 6.

■ Bendix offers to buy all the common stock of Martin Marietta in a bid valued at more than \$1.5 billion. Page 7.

Reagan Promises He'll Stand Firm On Pipe Sanctions

By Lou Cannon
 Washington Post Service

LOS ANGELES — President Reagan pledged Wednesday that he will not back down from imposing sanctions against Western firms that send material to the Soviet Union for use on the natural gas pipeline to Western Europe.

"The sanctions will be enforced," said the White House deputy press secretary, Larry M. Speakes, shortly before Mr. Reagan left Los Angeles by helicopter for two weeks of vacation on his ranch near Santa Barbara.

Mr. Speakes said the specific actions that the president will take to enforce these sanctions remain under review and that an announcement will probably be made later in the week. Whatever the specific actions may be, Mr. Speakes' public statement reflected what another administration official said was Mr. Reagan's "clear determination" to stick to the sanctions he imposed last December and extended in June in retaliation for the repression in Poland.

Two Avenues

One administration official said the United States is likely to pursue both diplomatic and legal efforts in its attempt to force continued imposition of the sanctions. The official said the diplomatic effort would be directed at France and other European nations to try to convince them that the pipeline is detrimental to their long-term interests.

Further, the official described the president as optimistic that his policy will eventually succeed despite the furor it has caused in Europe and the serious strain it has created in U.S.-European relations.

According to an evaluation recently given the president, Soviet inefficiency and a predicted decrease in European natural gas demand are likely to delay construction of the pipeline even without the sanctions.

The Reagan administration strategy appears to be to keep up the pressure both on U.S. allies and on firms supplying the material in the hope of delaying the pipeline as long as possible if it cannot be blocked completely. Administration officials believe that a show of firmness in the Dresser case will discourage other firms, particularly the British company John Brown, from rushing in to supply pipeline material to the Russians. John Brown is building rotors for the pipeline.

According to one official, U.S. diplomats have quietly suggested to the French that the United States might delay transfer of some unspecified high-technology items to France if Dresser is forced to deliver the compressors to the Russians.

Parts Shipment Delayed

Reuters reported from Paris that the loading of a ship carrying French-made parts for the Soviet pipeline had been delayed for the second day and that the French government was trying to play down the dispute with the United States over the delivery of the parts.

The freighter Borodina was to have loaded the first three compressors Wednesday, but port sources at Le Havre said the loading had been delayed until Thursday. No explanation was given. The compressors, part of a consignment of 21, are still in their packing cases in a shed at the docks, the sources said. The Borodina is due to leave Thursday for Riga, the capital of Soviet Latvia.

French officials were at pains to play down differences with the United States over the project. A presidential spokesman, Jacques Attali, said the weekly Cabinet meeting had not discussed the issue, and he added: "Possibly, the crisis of which you speak is not as grave as you think it is."

Jean-Pierre Chevènement, minister of industry, said, "A compromise is always possible, but I am not aware of any compromise at

Alaskan Pipeline: Five Years With No Disasters

By Jay Mathews
 Washington Post Service

FAIRBANKS, Alaska — A decade ago they said it would destroy America's last virgin wilderness.

The trans-Alaska pipeline would slash an 800-mile (1,280-kilometer) wound from the caribou habitats of the Arctic to the salmon-rich waters of Prince William Sound.

Its construction crews would destroy irreplaceable fishing streams, its hot petroleum would melt the fragile permafrost and its leaky tankers would turn the waters around the southern Alaskan port of Valdez into one huge oil slick.

U.S. conservation groups united in one of the great environmental battles of the 1970s to try to stop the pipeline in Congress and in the courts.

They lost, and the most expensive privately financed construction project in history was completed five years ago.

The pipeline has since pumped 2.4 billion barrels of oil out of the Arctic, filled 3,000 tankers at Valdez and now brings the United States 17 percent of its oil.

The pipeline has revolutionized much of life in Alaska, flooding the state treasury with money, adding thousands of jobs and giving people unprecedented access to their northern wilderness.

No Major Disasters

But none of the major environmental disasters predicted has come to pass.

In fact, because of the widespread concern about the pipeline's potential problems and because of some of the most advanced engineering work of the day, the Trans-Alaska Pipeline System has been turned into a technological wonder of environmental protection, boasting a series of sophisticated leak-detection and spill-prevention devices uncalled for in the world.

In 1981, the Alyeska Pipeline Service Co. loaded 735 tankers with more than 22.97 billion gallons of oil.

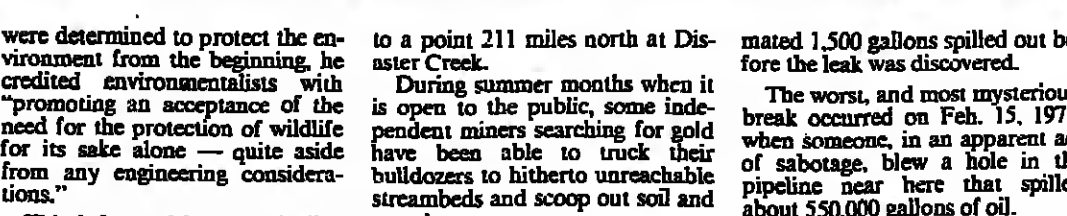
But only eight gallons, less than even one barrel, spilled into the water, according to Alyeska marine superintendent and former Coast Guard commander James K. Woodie.

Although John F. Ratterman, public affairs manager for Alyeska, said the pipeline was built to protect the environment, he added that the pipeline was built to protect the permafrost, incidentally making leaks easier to identify and repair.

If anything is likely seriously to harm the environment, conservationists and government officials say, it is not the gleaming steel 48-inch pipe but the haul road, called the Dalton highway, which was built to construct and service it.

The state has made a controversial decision to allow public use of

Because of conservationists' protests, the Alaska pipeline is raised to provide big-game crossings.



were determined to protect the environment from the beginning, he credited environmentalists with promoting an acceptance of the need for the protection of wildlife for its sake alone — quite aside from any engineering considerations.

This led to raising the pipeline 10 feet (3 meters) in the air at some points for big game crossings and to the company taking great care that construction would not disturb the habitat of mountain sheep.

Initially, the pipeline was to be buried underground for more than 90 percent of its length but environmentalists argued that heat generated by the 90 to 145-degree oil would melt the permafrost and cause widespread damage to wildlife and vegetation.

Today, only about half of the line is buried (some of that refrigerated to protect the permafrost), incidentally making leaks easier to identify and repair.

If anything is likely seriously to harm the environment, conservationists and government officials say, it is not the gleaming steel 48-inch pipe but the haul road, called the Dalton highway, which was built to construct and service it.

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to a point 211 miles north at Disaster Creek.

During summer months when it is open to the public, some independent miners searching for gold have been able to truck their bulldozers to hitherto unreachable streambeds and scoop out soil and gravel.

Hunting Returned

Bears used to approach the pipeline, where hunting was prohibited and pipeline workers often left food behind. Now hunting with permits has returned and few bears are seen in the area.

State officials in charge of conserving wildlife also worry about the future spread of the oil fields at Prudhoe Bay, which they say have already forced the central Arctic caribou herd to give up some favorite calving spots.

Some naturalists had predicted the project would force the caribou to abandon the area.

But Arlan H. Kohl, the U.S. Bureau of Land Management's pipeline project manager in Anchorage, said he was amazed when he visited the site recently.

At first he thought the staffer who had taken him there was lost "because I couldn't see any evidence.... The alders covered completely the lower half of the pipe.... The grass was back, the birds were chirping. I was really, honestly flabbergasted."

The pipeline cost \$8 billion in all, \$3 billion of which Mr. Ratterman attributes to inflation caused by the delay in construction because of the fights against the project.

Mr. Kohl said the Alyeska company has steadily improved its ability to detect leaks through a series of computer-controlled moni-

Warsaw Promises Tough Response To Pro-Solidarity Demonstrations

By David Storey
 Reuters

WARSAW — Interior Minister Czesław Kiszczak on Wednesday night described underground leaders planning demonstrations against martial law next week as terrorists and said the security forces would meet their challenge.

Gen. Kiszczak, in a tough television statement, said Western states were trying to stir up tension in Poland and said it was hard to believe any Poles would support this.

"Only extreme blindness or treason can explain a readiness to set fire to one's homeland," he said.

Gen. Kiszczak declared that underground leaders who called for demonstrations next Tuesday said they wanted a peaceful protest in favor of national solidarity.

"But why, in that case, are iron bars, sticks, bottles filled with gasoline, metal clubs and other dangerous weapons being prepared?" the general asked. "The organizers are undoubtedly taking into account bloodshed."

Solidarity Anniversary

It was the first reference by a senior official to a preparation of weapons for the demonstrations, which are planned in all major cities to mark the anniversary of the Gdansk agreement that led to establishment of the independent trade union Solidarity.

The U.S. administration, he charged, is behind activities that maintain unrest in Poland "in order that not only in Lebanon on El Salvador but also in the heart of Europe there should be bloodshed."

Gen. Kiszczak said those organizing the demonstrations "have nothing in common with a union but lots in common with what in the West is known as terrorism."

He said domestic peace and security were supreme values for the Communist military authorities, adding: "The authorities have enough force to guarantee peace and quiet."

"But the authorities will remain determined to prevent any counter-revolutionary attempt on the Socialist state. Attempts to delay stabilization in the country... can only mean our road will be longer and more difficult," he said.

The underground leaders, who have been in hiding since the military takeover last December and internment of most Solidarity leaders, have claimed in bulletins to have put out a "warning" to the government that they would not be provoked into a violent response.

The principal demand is for the release of more than 600 people still interned and amnesty for several thousand sentenced for violating martial law.

Press Credentials Restored

The United States lifted restrictions Wednesday on Włodzimierz Łożyski, a Polish newspaper correspondent in Washington, after Poland restored the credentials of John Durnton, The New York Times' correspondent in Warsaw, Reuters reported.

Mr. Durnton said earlier Wednesday that the Polish authorities had restored his credentials but had described the temporary ban as a final warning. They had complained about a story in which he reported that officials at an internment camp beat up a large number of internees.

Polish Plane Hijacked

West German authorities said two armed men hijacked a Polish airliner bound from Budapest to Warsaw on Wednesday night and forced it to land in Munich. The Associated Press reported. Authorities said the two men surrendered and none of the 74 passengers was

Lebanon Crisis Illustrates UN's 'Monumental Irrelevance'

By Bernard D. Nossiter

New York Times Service

UNITED NATIONS, N.Y. — Last Thursday, almost at the moment that the agreement on West Beirut was being accepted in Jerusalem, delegates to what was billed as an emergency session of the General Assembly here were voting to hold a \$5.7-million, 12-day conference in Paris next August to talk about the Palestinian question.

This episode illustrates what one Western diplomat called the "monumental irrelevance" of the United Nations in the crisis over Lebanon. There is a pervasive sense of frustration in corridors and offices here.

The Assembly's vote on holding the conference followed more than two months of ineffective efforts by the Security Council, the most powerful body in the world organization, to deal with the problem of Lebanon.

The UN Charter proclaims that the Council "shall determine the existence of any threat to the peace and shall decide what measures shall be taken."

Since June 5, on the eve of the Israeli invasion of Lebanon, the Council has formally and repeatedly recognized the threat to peace, but it has been thwarted every time it tried to do something about it. The 15 members have adopted no fewer than nine resolutions demanding, urging and calling for an end to the fighting, the withdrawal of Israeli troops, the lifting of the

blockade of Beirut and the deployment of UN officers between the forces of Israel and the Palestine Liberation Organization.

Most of these resolutions were adopted unanimously. For a brief instant on Aug. 1, when the Council agreed to station UN personnel to monitor the occasional cease-fires that were arranged in Beirut, it appeared that the world organization might make a practical contribution to the peacemaking.

At one point, Olara Otunnu of Uganda, one of the Council's most respected members, said in public what others say in private: that the Security Council's power "is now more limited than ever."

Many Third World and Soviet-bloc diplomats have a simple explanation for this situation: The United

States, Israel's shield, blocks the Council from imposing sanctions or punishment. Indeed, the Council all but gave up on Aug. 6, when the United States vetoed a Soviet resolution to embargo arms shipments to Israel.

Thoughtful diplomats in all camps, however, recognize that the events here reflect the essential fact of UN life: that sovereignty does not lie with the organization but with its 157 members. Each has a veto over the legitimate use of force against its own citizens or those of other nations. The United Nations can establish token peacekeeping forces, but only with the consent of sovereign combatants.

In April, Argentina ignored a Council command to remove its invading troops from the Falkland Islands. They were forced off by another sovereign, Britain. Iran and Iraq have paid no attention to Council requests to stop fighting and negotiate their differences. Some issues affecting peace never reach the Council because its members know that a veto will block even the issuance of a text. So the Council does not concern itself with the Soviet intervention in Afghanistan or Vietnam's occupation of Cambodia because Moscow's veto will block any resolution.

The lightly armed UN peacekeeping troops with their blue helmets are not a military force but a symbolic presence. Israeli armor easily rolled through the 7,000 UN troops in southern Lebanon on June 6.

French and Egyptian diplomats believe that in the deliberations over Lebanon, a great political opportunity has been lost, or at least postponed. Paris and Cairo have been suggesting resolutions designed to nudge the United States toward a recognition of the right of Palestinian Arabs to "self-determination," a hint of an eventual Palestinian state.

But the French-Egyptian plan has not yet been brought to the Security Council for fear of a U.S. veto. Egypt's attempt to take it to the General Assembly was frustrated by PLO insistence on far more sweeping language that would raise a question of Israel's right to exist.

All this has left one Western diplomat comparing the United Nations and its orders to Shakespeare's Othello, who boasted that he could "call spirits from the vasty deep."

Kotspur, who understood the limits of sovereignty, replied, "Why, so can I. But will they come?"

Pilot Denies Israel Intended To Bomb Civilians in Beirut

By James Feron

New York Times Service

JERUSALEM — An Israeli pilot who took part in the bombing of Beirut says that every precaution was taken to avoid civilian casualties.

The pilot, a 34-year-old major who wished to remain anonymous, said Tuesday that charges of "indiscriminate bombing" prompted him to seek out, through a mutual friend, a foreign reporter so that he could present his views on the bombing of the Lebanese capital.

"You see them as civilian targets," he said. "And it's not fair to ask only about their civilians."

U.S. Planning War Exercise Around Oman

By George C. Wilson

Washington Post Service

WASHINGTON — The United States is planning an elaborate air, land and sea military exercise in and around the strategic Gulf country of Oman this fall to reassure oil-producing Gulf countries that U.S. forces could carry out their assistance in an emergency, administration officials have said.

The exercise also would serve notice to Iran that it would risk a sharp U.S. response if it threatened moderate Arab nations who are friendly to America with military force or subversion, diplomatic sources said.

A Pentagon official said the Reagan administration, mapping its policy for the Gulf area after the Palestine Liberation Organization withdrawal from Lebanon, is especially concerned about reassuring Saudi Arabia.

The British-educated sultan of Oman, Qaboos bin Said, has insisted on a low-profile U.S. military presence in his country in the past, diplomatic sources said, but he now seems willing to allow practice landings by U.S. Marines on his shore.

If all goes well with the delicate negotiations under way, officials said Tuesday, the high-profile military exercise would take place in October. There are also indications that the United States will help the sultan modernize his army, navy and air force.

Oman has particular strategic importance to the United States and other oil-importing nations because it is located on the Strait of Hormuz, the Gulf gateway through which oil tankers must pass to reach the open waters of the Arabian Sea.

As a result of the Reagan administration's review of its Gulf policy, the Pentagon has put top priority on finding ways to protect such friendly Arab governments from being toppled by radicals.

Direct military assaults against Gulf oilfields are regarded only as a secondary threat.

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Ecoutez la radio qui vous écoute

Most of our soldiers are civilians," or reservists, which he said he was. "I feel everyone, including some in Israel, are blaming us about being cruel or inhuman, but how about the quality of the PLO and their inhumanity?" he asked, referring to the Palestine Liberation Organization.

"I'd prefer they sat in the Bekaa Valley and that we bombed them there, but they concentrated in Beirut."

Watched on TV to the evenings at his home in Tel Aviv, after returning from his missions, he said, "we would watch the bombing on television with our two children and we would have feelings about it." But the feelings were mixed, he said.

"I'm not happy to see any civilian injuries, and we always thought about the alternative," he said. "If it was the other way around, thousands of Israelis would be killed, and the reaction would be stronger."

He said the pilots were briefed for at least half an hour before each mission and that the targets were assigned to them by headquarters. "Nobody was able to pick anything according to his mood," he insisted.

The targets, he said, had been selected precisely, through aerial photography or intelligence or both. Afterward, the results of the bombings were assessed.

"There were mistakes, maybe one or two, but that's all, and the commander would talk to the pilots," he said.

Aerial Photograph
The planes dove at speeds of about 400 mph, he said, and the targets had to be found "by eye. We had to see it." Bombs were released one at a time and the pilots hit their intended targets, he insisted.

The major showed an aerial photograph. "This building here is the Japanese Embassy and this one

is the Chilean Embassy," he said, indicating a site just off a highway along the Lebanese coast. "And this" — he indicated an object between the two buildings — "is a 133mm gun, which you know fires 25 to 27 kilometers," or 16 miles.

He said the artillery piece was about 200 feet (60 meters) from either building and that the Israeli F-4 Phantom, a U.S.-made aircraft he had also flown in the war in 1973, was accurate within 60 feet. That was a relatively easy target, he said, but "others were located where it made it more difficult."

Asked whether there was any question that civilians, women and children, had died in the air raids along with the guerrillas who had been the Israeli targets, his reply was indirect.

"I have a personal problem. No one likes to bomb civilians, and we aimed at no civilian targets. We went where the PLO took their guns, and they sat behind the civilians' backs."

He said he landed twice with his full load of 250-pound and 500-pound bombs "because the target had been moved."

He said: "This was a controlled situation, we knew what we were after, and we did not do area bombing but rather precision dive-bombing."

"I don't like to bomb civilian targets, but if you put a T-34 tank in a civilian parking area, and you bomb it to prevent injuries to the Israeli Army, then it's their problem. If you can find a better way, then I'll take it. I don't think the air force could have done it better."

He went on, "If you want to achieve peace, you should fight. Look at the American-Japanese War. In order to achieve an end, they bombed Hiroshima and Nagasaki."

Told that the bombing of the Japanese cities was not universally



U.S. Marines landed Wednesday in Beirut and took up positions around the commercial section.

acclaimed in the United States, the major spoke of a conversation he said he had had with an American pilot.

"In Vietnam, he said pilots did the bombing without believing because they felt the politicians had decided to lose the war. I don't

want to be in such a struggle that I don't believe in it.

"You point a finger sometimes, but you should remember that when one finger is out, three are pointing back at you."

He argued that the accusations of random or indiscriminate bombing were "completely untrue."

"You can't wait until the sword is at your throat to act. If you take the first step sometimes it saves lives from both sides. I think we saved lives in Beirut. I don't think we bombed in vain."

Reasoning Given
He listed other reasons for claiming a PLO victory in Lebanon. The PLO was shown to be the true representative of the Palestinian people, he said, and the Palestinians demonstrated that they were not afraid of the invaders. At the same time, he said, the war showed the world the "brutality" of the Israelis.

He acknowledged that the withdrawal from Beirut would open a "more complicated and difficult" phase for the guerrilla organization, but he insisted that it would be able to "adapt to the new conditions."

"The armed struggle has to continue but the main thrust will be diplomatic," said Hanna Nasser, a member of the PLO executive committee. "The Israelis wanted to destroy the PLO, but they have learned they can't wipe it out because it's not just an organization, it's a people."

Why else would they bomb a

Palestinians, Back in Jordan, Say Struggle Will Continue

By Marvin Howe

New York Times Service

AMMAN, Jordan — LL Nasser Shabar returned from the battle of Beirut with "a feeling of victory" and believes that the struggle for Palestinian rights will continue on both the political and the military levels.

"Our fight in Beirut was confronting the United States military machine and all its sophisticated weapons," Lt. Shabar, an officer in the Palestine Liberation Army

batallion that returned here Sunday, said Tuesday.

The 265 Palestinians, who were the first to be withdrawn from Beirut, received a warm personal welcome by King Hussein and have now begun 20 days' leave to be with friends and family. They had gone to Lebanon after the June 6 Israeli invasion in response to an appeal by Yasser Arafat, the Palestine Liberation Organization leader.

There were no mass demonstra-

tions for the returning Palestinians, apparently because the authorities were afraid that mass movements might get out of hand. More than 60 percent of Jordan's 2.5 million people are Palestinians.

Private Gatherings
Nevertheless, in neighborhoods around the capital private celebrations are being held for the guerrillas, who are considered national heroes.

In Jabal al Nasser, a Palestinian district, about 150 friends, relatives, officers and local dignitaries gathered to celebrate Lt. Shabar's homecoming. There were soft drinks and *manfeh* — a special dish of rice, almonds, lamb and yogurt — and joyous greetings.

Among the guests was Fahad Kawasbeh, the former mayor of Hebron in the West Bank who was ousted by the Israeli authorities in May, 1980. "The battle of Beirut will enter history as a political and military victory for the Palestinians," Mr. Kawasbeh said, reflecting the general optimistic mood of Palestinians here.

Across town there was another Palestinian gathering, just as hopeful but more sober, in honor of one of the soldiers who did not return. He was Faisal Shweiki, a 19-year-old mechanic.

"We Are Proud"
"Faisal was the same as all Palestinians — brave, a hero and ready to be a martyr," his father, Saleh Masbakh Shweiki, told visitors. "As Palestinians we are taught not to be sorry about martyrs. All our lives we have had wars and have gone through this over and over again to fight for Palestine, and we are proud of our children who are martyrs for the sake of our country."

Downstairs to the women's quarters, the dead man's mother, Zahira Abdullah Shweiki, wearing a blue scarf and dark dress, sat cross-legged on the floor with her

Big Modern Art Collection Is Left to Museum in N.Y.

New York Times Service

NEW YORK — A major private art collection consisting of 450 works, including paintings by Picasso, Braque, Munch and Matisse, has been left to the Metropolitan Museum of Art.

The collection of works from the late 19th century and early 20th century belonged to Scofield Thayer, who died July 9 at the age of 92. Mr. Thayer assembled his collection between 1919 and 1924 while editor in chief of *The Dial*, a New York literary magazine.

The *Dial* Collection, so-called because Mr. Thayer acquired some of the works for reproduction in his magazine, is notable not only because of its size but also because of its unusual quality. It was once valued at \$10 million, but is generally thought to be worth much more.

Among recognized masterworks in the collection are Picasso's 1901 Blue Period "Mother and Child Near a Fountain," Pierre Bonnard's 1914 interior "The Dressing Room," Chagall's 1917 expressionistic cityscape "The Marketplace," and Braque's 1924 "Standing Figure," one of a series of monumental female nudes by the artist.

James Welu, chief curator of the Worcester Art Museum in Massachusetts, which has held the collection on long-term loan since 1931, said: "It is certainly one of the important collections in modernism because it includes such fine works by major figures. It is a collection which any museum would be happy to get."

William Lieberman, curator of 20th-century art at the Metropolitan Museum, emphasized the importance of the drawings, lithographs and watercolors, which form the bulk of the collection. He also cited Mr. Thayer's interest in Edward Munch and in the Austrians Gustav Klimt (five drawings) and Egon Schiele (23 drawings and watercolors).

WORLD BRIEFS

Vietnam Asks China for Cease-Fire

BANGKOK — Vietnam has proposed to China a six-week cease-fire along their tense common border starting on Friday, in order that both can celebrate peacefully their national days on Sept. 2 and Oct. 1, Radio Hanoi said Wednesday.

The radio, monitored in Bangkok, said the proposal had been sent to the Peking government and was designed to ease tension and create better relations between the two countries.

China and Vietnam fought a brief war in early 1979 and since then have clashed sporadically along their borders. Vietnam last week renewed a call to China for contacts to be arranged in preparation for a resumption of peace negotiations.

4 Acquitted in Zambia Treason Trial

LUSAKA, Zambia — The Zambian High Court acquitted Wednesday four of 12 defendants in a long-running treason trial which followed an alleged plot to topple President Kenneth Kaunda's Socialist government in 1980, but said seven others have a case to answer.

Judge Dennis Chirwa ruled that the state had failed to make a case against the four. Lusaka lawyer Mundia Sikatana, Air Force Maj. Macpherson Mbulu, Army Col. Patrick Mbandawire and former Army Brig. Gen. Godfrey Miyanda.

He said seven of the remaining eight accused, who include former central bank governor Valentine Musakanya and prominent lawyer Edward Shamwana, had a case to answer and an eighth must answer a lesser charge. After the trial began last November all defendants pleaded not guilty to the treason charge, which carries a mandatory death sentence on conviction.

Millions Lost in Australia Tax Fraud
CANBERRA, Australia — Attorney-General Peter Durack and Treasurer John Howard refused Wednesday to accept opposition calls for their resignation after an official report said hundreds of millions of dollars in taxes had been lost through incompetence and deception by public servants.

Royal Commissioner Frank Costigan said Tuesday his investigation into tax evasion by members of the Federated Ship Painters and Dockers, a waterside trade union, had uncovered a major fraud between 1973 and 1980 that involved thousands of companies avoiding taxes by asset-stripping schemes.

Israel Ratifies Sabbath Ban on El Al
TEL AVIV — The Finance Committee of the Knesset ratified by 11 votes to 10 Wednesday a government decision to close El Al Israel Airlines on the Sabbath and other Jewish religious holidays.

Prime Minister Menachem Begin agreed to the shutdown under intense pressure from two small religious groups within his coalition. The issue had been depicted by many among Israel's secular majority as a test case to see how far Mr. Begin would go to retain their support.

The airline employees, backed by the Histadrut trade union confederation, have threatened to fight the move, expected to result in the loss of several hundred jobs, and have urged that the ban be ignored. The airline stands to lose \$40 million a year because of the shutdown.

U.S. Legislator Pleads Guilty, Quits
NEW YORK — Rep. Frederick W. Richmond, Democrat of New York, pleaded guilty Wednesday to income tax evasion and possession of marijuana. He resigned his seat and agreed not to seek re-election.

The four-term Brooklyn congressman entered his pleas before Judge Charles P. Sifton in the U.S. District Court in Brooklyn. For more than four years Mr. Richmond has been the subject of controversy and scandal, beginning in 1978 when he allegedly propositioned two men on different occasions for sex.

Later, he was accused of drawing an illegal \$100,000-a-year salary in the guise of a pension from Walco National Corp., the timber and tool company that he founded. In April, unidentified sources were quoted in news reports as saying former aides of Mr. Richmond had testified to a grand jury about buying cocaine and marijuana for him.

Governor Wins Oklahoma Primary
CHICAGO — Gov. George Nigh of Oklahoma easily defeated Howard Bell, a storm-window manufacturer, for the Democratic nomination in his bid for a second term.

Tom Fink, a former House speaker, upset Lt. Gov. Terry Miller in the Republican gubernatorial primary in Alaska. Steve Cowper, a former legislator, fell behind Bill Sheffield, a hotel-chain owner, in a tight battle on Tuesday for the Alaskan Democratic gubernatorial nomination.

Tom Daxon, an auditor and inspector, defeated state Rep. Neal McCaleb of Edmond for the right to carry the Republican banner in Oklahoma's governor's race in November.

U.S. City Retains Ban on Russians
GLEN COVE, N.Y. — The City Council has voted to continue to bar Soviet diplomats from using Glen Cove's recreational facilities until Congress approves reimbursement to the city for the tax-exempt status of the Soviet residence here.

A Soviet Embassy spokesman in Washington, Vladimir Mikoyan, said: "It is unfortunate. It's discriminatory. It doesn't solve any problems. It only brings unnecessary irritants between our two countries."

The 5-1 vote on Tuesday reaffirms a vote last May to deny the Russians the use of the city's recreational areas because, according to the council, they were using their 49-room mansion to spy on Long Island's military-related industries.

Mayor Alan M. Parente said later that the Soviet estate should not be accorded tax-exempt status because it was being used for espionage and that Congress should approve legislation to reimburse the city for lost property tax revenues it estimates at about \$100,000 a year.

Compiled From Agency Dispatches

U.S. Clampdown Aims At Overseas Taxpayers
By Robert Siner
International Herald Tribune

WASHINGTON — The tax bill passed by Congress last Thursday contains several sections aimed at improving compliance by Americans with U.S. income tax laws.

One provision of the bill gives the Internal Revenue Service new powers to demand books, documents and other information from overseas taxpayers.

The bill extends the use of administrative summonses, which require those receiving them to appear and produce required documents and records, to Americans abroad by a formal document over- Americans not living in the United States to the U.S. District Court of the District of Columbia. The IRS can issue an administrative summons in the United States without court involvement.

Tax lawyers said the language in the bill is, in effect, an order to the IRS to start sending summonses abroad, despite the problems that might arise.

The lawyers noted that even though service of these summonses is illegal in many foreign countries, Americans being summoned could be listed in the Customs Service computer and met at airports when entering the United States.

"Formal Document Request"
The bill also defines a new instrument, "a formal document request," through which the IRS can order a U.S. taxpayer or third person (a lawyer, accountant or employee), whether a U.S. citizen or foreign national, to produce documents and records within 90 days, though this period can be extended.

Documents not produced within the required period cannot be used by taxpayers in their defense in later proceedings, unless they can prove that the failure was due to

The new law explicitly states that the fact that providing such documents may be against the law of another country "is not reasonable cause." In the past, U.S. courts have, at times, accepted violation of foreign laws as a valid defense for not producing records.

The bill also orders the Treasury to establish procedures to limit the benefits of tax treaties to those persons entitled to them. This was aimed at U.S. citizens and residents of non-treaty countries who evade taxes by posing as residents of low-tax, treaty countries with strict bank secrecy laws.

Head of CIA Calls For the Repeal of Information Act

United Press International

CHICAGO — CIA Director William J. Casey has said the Freedom of Information Act should be rescinded because it gives foreign intelligence agents the "legal license to poke into our files."

"I question very seriously whether a secret intelligence agency and the Freedom of Information Act can coexist for very long," he said Tuesday at the 64th annual national convention of the American Legion.

Mr. Casey said the ease with which the Soviet Union can gain information has allowed them to bypass research and immediately produce deadly weapons that threaten the United States.

He said, "The willingness of foreign intelligence services to share information and rely on us for lives and reputations to risk will continue to drive us to get rid of the Freedom of Information Act."

مكتبة الأمل

News on Economy Appears To Revive Reagan Optimism

By Lou Cannon

LOS ANGELES — In his televised address to the nation Aug. 16, President Reagan said a "sound and lasting economic recovery" could only be achieved slowly without any "sudden boom or upsurge."

Now, buoyed by a week of cheering economic news and the familiar surroundings of California, Mr. Reagan's natural optimism appears to be reasserting itself. While no one is saying so directly, it is clear that Mr. Reagan and his principal spokesmen now believe the long-predicted recovery is at hand and will last until Election Day and beyond.

Last week, after passage of the administration's \$98.3-billion tax bill, the White House chief of staff, James A. Baker 3d, predicted a long-term drop in interest rates. On Tuesday, the White House deputy press secretary, Larry M. Speakes, termed the interest rate decline "remarkable," and said it would lead to a reduction in home mortgage rates and a continued reduction of the rate of inflation.

Citing the consumer price index figures released Tuesday, Mr. Speakes said, "We're hopeful and somewhat optimistic that the CPI will remain in single digits for the next several months."

Ballistic to Private
According to some who have discussed the economy recently with Mr. Reagan, the president is feeling bullish in private than his spokesmen are in public. "The president was an optimist when everything looked bad to the rest of them," an administration source said. "Now he really be-

lieves that the recovery is at hand."

Some of that optimism was apparent Monday at a \$1,000-a-person fund-raiser for Mayor Pete Wilson of San Diego, the Republican nominee for the U.S. Senate. Dressed in Western garb and speaking from a 20th Century-Fox sound stage, Mr. Reagan gave a glowing account of what he considers the central achievements of his administration: lowering the inflation rate, reducing income taxes and building up U.S. military capability.

To the surprise of some in the audience, at a time when unemployment is above 9 percent, Mr. Reagan even quoted himself approvingly as saying during the 1980 campaign that "Recession is when your neighbor lost his job, a depression when you lose yours and recovery was when Jimmy Carter loses his."

The Incumbent
In retelling the story on one of the few occasions he has mentioned this line since the campaign, Mr. Reagan did not identify Mr. Carter by name, referring to him only as "the incumbent."

While Mr. Reagan is clearly in a good mood these days, his speech was a disappointment to some key backers of Mr. Wilson, who faces a difficult Senate race against Gov. Edmund G. Brown Jr.

The president rarely mentioned Mr. Wilson, and at one point seemed to have forgotten that he is running for the Senate instead of for governor.

After saying his administration's New Federalism proposals would return government to the levels "closest to the people," Mr. Reagan added, "Now, who would you like to have in California help-

ing administer that switch back to that kind of federalism? Someone who's first great battle of history-making proportions was against the Medford or someone who has served in the state legislature for years, someone who has served as mayor of one of our major cities for years... and knows what the federal government should do?"

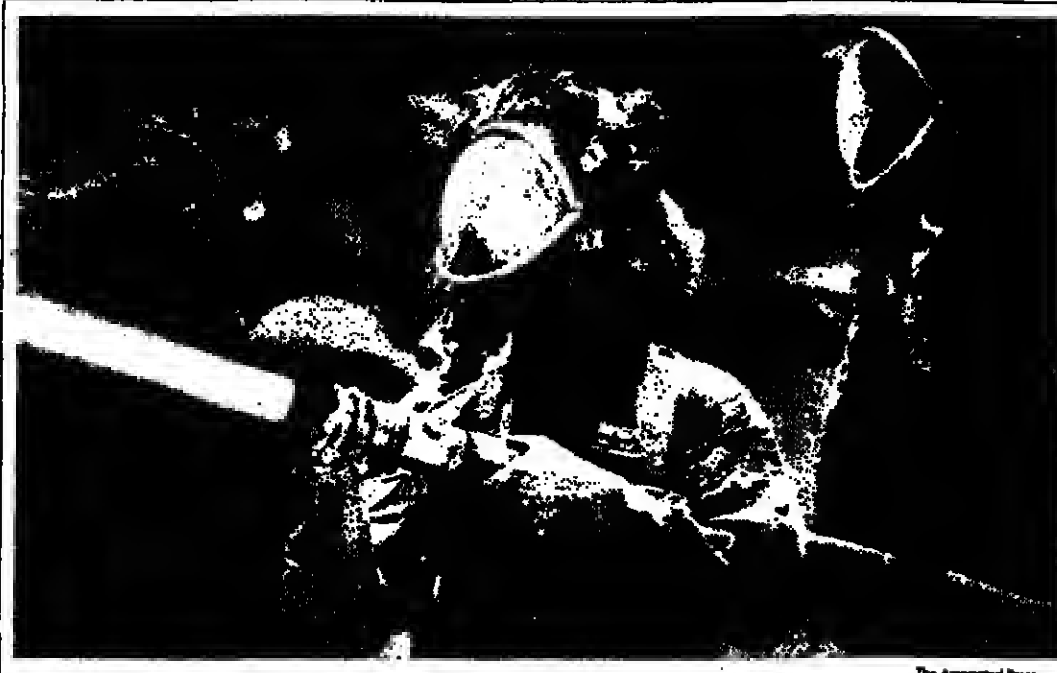
Informed administration sources said the president had discarded a draft speech that extolled the San Diego mayor, who last week opposed Mr. Reagan's tax bill while Gov. Brown supported it.

Hypocrisy Avoided
Mr. Wilson's opposition reportedly irked the president, who remembers that in 1976 Mr. Wilson campaigned for President Gerald R. Ford against Mr. Reagan in the crucial New Hampshire primary. "He didn't want to be hypocritical and praise Pete to the skies, so he threw the draft away and just winged it," an official said.

Whatever the speech may have lacked, Mr. Reagan succeeded in his attempt to avoid hypocrisy. His appeal for Mr. Wilson was based on the two reasons the White House supports the San Diego mayor: a desire to keep the Senate in Republican hands and personal distaste for Mr. Brown, who succeeded Mr. Reagan as governor in 1975.

In addition to his reservations about Mr. Wilson, the speech suffered from Mr. Reagan's unconvincing desire to spend as much of his time as possible at his mountaintop ranch northwest of Santa Barbara.

The president was scheduled to return to the ranch Wednesday and remain there, without politicking, until Sept. 7.



ASTRONAUT IN TRAINING — Sally Ride, who is scheduled to become the first American woman in space when the seventh mission of the U.S. space shuttle takes place next April, practices techniques of fighting fires at the Kennedy Space Center in Florida.

U.S. General Asserts Military Aid For Guatemala Should Be Priority

By Alan Riding

New York Times Service

PANAMA CITY — The commander of U.S. military forces in Latin America believes it is imperative for the United States to resume military assistance to Guatemala to help combat a threat from leftist guerrillas.

Lt. Gen. Wallace H. Nutting, who is head of the 10,000-man U.S. Southern Command based in Panama, said in a recent interview that the United States should play "essentially the same role" in Guatemala as it is playing in El Salva-

dor, where equipment and training are being provided for the local armed forces.

He also argued that the situation in Guatemala was potentially more serious than that in El Salvador.

"The population is larger, the economy is stronger, the geographical position is more critically located in a strategic sense," he said. "The implications of a Marxist takeover in Guatemala are a lot more serious than in El Salvador."

Guatemala renounced U.S. military aid in 1977 to protest a critical human rights report prepared by

the Carter administration. Subsequent Guatemalan requests for a resumption of military assistance were then blocked by members of Congress concerned about continuing rights violations.

Since a coup brought Gen. José Efraín Ríos Montt to power in March, however, the Reagan administration has been urging key congressmen to lift their objections to helping the Guatemalan Army. The efforts have been largely unsuccessful, and congressional aides who visited Guatemala recently concluded that the rural population remained largely repressed because of the regime's counterinsurgency campaign.

Referring indirectly to concerns about human rights violations in Guatemala, Gen. Nutting said that "there must be an acceptable political situation" before U.S. military aid can resume. He added: "I think that it's unfortunate up to this point that those responsible for making that judgment have felt that kind of political situation did not exist."

The general, who has traveled extensively in Latin America, insisted that El Salvador was part of a broader regional problem of which Guatemala is "a more serious part that we have not yet faced."

"I believe that no single government in Central America is capable of sustaining itself against the present assault," he said. "They've got to have outside support to be able to cope with the problem alone. It's not a problem for each individual country to face."

In a wide-ranging conversation, Gen. Nutting repeatedly returned to the theme that events in Central America should be seen in the context of the projection of the Soviet Union's global power. He also raised the prospect that without U.S. military help, the military strength of Cuba and Nicaragua could result in the "Finlandization" of the isthmus.

Gen. Nutting stressed that U.S. military aid was only part of a solution that included political, economic, social and psychological components.

New U.S. Rules On PCB Use Are Criticized

By Philip Shabecoff

New York Times Service

WASHINGTON — The Environmental Protection Agency has announced final regulations for the use of polychlorinated biphenyls, or PCBs, that would permit continued use of the hazardous chemical in some electrical equipment.

Agency officials said Tuesday the rules were aimed at removing the greatest risks from the continued existence of PCBs in electrical equipment, particularly in the vicinity of food and animal feed supplies.

But environmentalists charged that the rules failed to provide the control of PCBs required by the Toxic Substances Control Act to remove their threat to public health.

Used primarily to cool and insulate electrical equipment such as transformers, capacitors and electromagnets, PCBs have been found to cause cancer in laboratory animals.

Recent evidence suggests they may also cause reproductive and neurological problems. Millions of gallons of the chemical are still in use and large quantities have been found in surface water in the United States.

The new regulations prohibit the use of PCBs in transformers or electromagnets that pose a risk of exposing foods or feeds to the chemical after Oct. 1, 1985.

The use of all other transformers and electromagnets containing PCBs is authorized for their "remaining useful life."

For transformers near food supplies, weekly inspections for leaks are required until they are phased out.

The use of large capacitors containing PCBs that are located in electrical substations or other "restricted access areas" is permitted for the rest of their useful life.

Ellen K. Silbergeld, chief toxics scientist for the Environmental Defense Fund, said, "Clearly the rules were drawn up to meet the wishes of the electrical industry and at the expense of public



Sen. William Proxmire

For the first six months of his Senate career, he was a model freshman — diligent, helpful and seen but not heard. His patience soon was exhausted, however.

He introduced amendments without consulting his party leadership, he filibustered and, most heretofore, he criticized the leadership of Lyndon B. Johnson, who was then the majority leader.

Sen. Proxmire's bete noire is government spending on almost anything but dairy price supports. He consistently receives the highest rating in the Senate from the National Taxpayers Union.

In the past four years, he has returned \$910,612 to the Treasury from his payroll and office allowances, 24 percent of the total, because he hires fewer staff members and spends less than he is permitted. On the road, he eats at McDonald's.

Charges of Hypocrisy
This showy thriftiness and his sometimes moralizing tone invite charges of hypocrisy. Outside Wisconsin, he is criticized for lavishing money on the dairy industry.

When he lost a libel suit filed by a disgruntled scientist who had received a "Golden Fleece" award, Sen. Proxmire let the Senate pick up the \$125,000 tab for legal fees. Stung by criticism for that, he has donated book royalties and fees for radio and television shows to the Treasury to help repay the sum.

Some observers say he was shaken by the 1980 election, in which Sen. Gaylord Nelson, a fellow Wisconsin Democrat, was defeated. Since then, Sen. Proxmire has shifted his stand on the balanced budget amendment (he was against it) and has become more supportive of military spending. The Milwaukee Journal reported that he was "trying to out-Reagan President Reagan."

In Wisconsin, he is a legend who has changed the way politicians must campaign. He was the first Democrat in many years to win statewide office. Now Wisconsin is primarily Democratic. Once he cut a lonely figure out by the flower shed at the state fair, but now it is almost expected that ambitious politicians will press flesh there.

After nine hours of handshaking, stopping only once for a 20-minute lunch, Sen. Proxmire's right hand was red and creased and wrinkled.

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Students Feel Impact Of U.S. Aid Cutbacks

By Nicholas D. Kristof

Washington Post Service

WASHINGTON — Duncan Fraser had a dream — to attend Princeton University this fall. With near-perfect college board scores, National Merit and Presidential scholarships, the dream seemed tantalizingly close.

But last spring, Duncan, then a high school senior from Decatur, Ga., was informed that he was ineligible for U.S. aid. It appeared that his parents would have to mortgage their home to afford the \$13,000 cost of sending him to Princeton for one year.

"My parents have worked very hard, and I don't think I can ask them to live in poverty so I can live out my expensive dream," he said. So Duncan will enroll this fall at North Carolina's Davidson College. It gave him a full scholarship.

Cuts Take Effect
College administrators say Duncan's story is being repeated around the country. The administration's cuts in student aid are only beginning to take effect, but administrators warn that they already have had a stinging psychological impact.

Many college officials are also concerned by signs that poor or minority students are counting themselves out.

At Harvard, the number of black applicants, the number of applicants from public schools and the number of applicants who requested financial aid all dropped slightly this year, according to William R. Fitzsimmons, director of admissions.

Also troubling Harvard officials is a drop in the number who decided to come after being admitted. This drop was especially pronounced among black students, and 41 percent of the admitted blacks who went elsewhere said finances were a primary reason.

The annual cost of attending Harvard is more than \$13,000. However, 40 percent of the class receives scholarships worth an average of \$5,600, plus loans and jobs worth an average of \$3,000.

Big Stir
Administrators admit that they are responsible for part of the problem by raising a big stir over the Reagan administration's proposed cuts in student aid. Many students, unaware that Congress had rejected some of the cuts, assumed they would never qualify for aid.

"We intended to generate as much publicity as possible," said Michael Hooker, president of Bennington College, in Vermont, "but we were too successful. There was an unwarranted hysteria among parents and students. That's not to say the fears won't be warranted this time next year."

While some private colleges may be threatened, those such as Bennington, that cater to students from wealthy families do not seem in trouble.

Bennington is the most expensive college in the country, costing more than \$14,000, yet Mr. Hooker said the number of applications rose this year.

The recent cuts in student aid include the following:
• The annual maximum for Pell grants, the basic U.S. scholarships awarded on the basis of need, will be cut from \$1,800 to \$1,674 unless more money is added to the program.
• Funding for supplemental grants was cut 26 percent from last year's level.
• College work-study, national direct student loans and state student incentive grants were all cut about 4 percent.
• Students entering college this fall no longer will be eligible for Social Security education benefits, which now constitute one-fifth of student aid.
• Guaranteed student loans, which formerly were available to all students regardless of need, now are limited to families with incomes of less than \$30,000 or those with higher incomes who can demonstrate need.
• Many students have not realized that they may be eligible for loans even though their family income is more than \$30,000, administrators said. The number of loan applications is down 30 percent from last year, according to Education Department figures, although there may be a surge in August and September.
• College fees are rising about 15 percent a year, according to the National Association of Student Financial Aid Administrators. Many officials are worried that the administration will press for deeper cuts in student aid next year.
• Ironically, community colleges are now booming. Rosemary Whithers of the American Association of Community and Junior Colleges said that enrollment at community and junior colleges is expected to rise 4 percent. Such institutions are popular because they are cheap and focus on job training, while permitting students to hold jobs while attending college part-time.
• The end of the baby boom generation now is trickling through universities and the number of college-aged people will decline by 20 percent over the next 15 years. To avoid losing too much ground, colleges will have to compete more vigorously with one another.
• Some states are moving to help financially strapped universities. Colorado has begun a matching fund, offering to match contributions to colleges dollar-for-dollar up to a limit.
• Seven states have passed legislation allowing colleges to issue tax-exempt bonds to raise money for student aid.

Boy Dies in Chile Bombing
SANTIAGO — Five bombs exploded Tuesday in Santiago, one of them killing a 12-year-old boy and injuring three other children, one seriously, authorities said.

New Economy Minister Is Named in Argentina
BUENOS AIRES — Jorge Webbe, a law professor, has been named as Argentina's economy minister following the resignation of his predecessor, José María Dagnino Pastore, and the central bank president, Domingo Cavallo.

Mr. Webbe, 62, was to be sworn in Wednesday. It will be the third time he has held the post since the 1960s.

Mr. Dagnino Pastore and Mr. Cavallo, who resigned Tuesday, were architects of the economic policy of the two-month-old military government of President Reynaldo Bignone, which has pledged to return Argentina to democracy by March, 1984.

Following Argentina's defeat in the Falklands conflict, the two men launched a program to deflate the economy while coping with \$15 billion in service payments due in the second half of the year on the country's \$36.6-billion foreign debt.

Climate of Opinion
Mr. Webbe, who was appointed Tuesday night by Gen. Bignone, is a specialist in financial law. After his appointment he told the independent Argentine news agency Noticias Argentinas that Argentina's most worrying problem was the climate of opinion in the country.

He called for calm and moderation to ensure a smooth transition to democracy.

The country's trade unions have shown increasing impatience with government action to restore the value of wages eroded by a 137-percent rise in the cost of living during the last 12 months.

Union leaders reacted coolly Tuesday night to a government announcement of a general pay increase of 1 million pesos (about \$26) on all monthly salaries, to be spread out over August and September; this would be followed by further monthly pay rises indexed to the cost of living.

Conflicting Interests
In his letter of resignation, Mr. Dagnino Pastore said he had been unable to reconcile conflicting interests in the Argentine economy. Mr. Cavallo said in his own letter of resignation that he was stepping down in disagreement with decisions by Gen. Bignone affecting the government's income policy and its drive to reactivate the economy.

Political and banking sources said Mr. Dagnino Pastore and Mr. Cavallo had different approaches to tackling Argentina's economic problems: Mr. Dagnino Pastore

Populist at Home and Maverick in Congress, Proxmire Keeps On Running, and Winning

By Nicholas D. Kristof

Washington Post Service

MILWAUKEE — In the morning, the Band-Aids wrapped around his fingers are fresh and his hand still has some vitality. Then he moves into position outside the flower shed at the Wisconsin State Fair and begins a day of handshaking, pressing new flesh every three seconds.

Meet Edward Proxmire, the maverick Democratic senior senator from Wisconsin who gives "Golden Fleece" awards and washes his underwear in an office sink, running for his fifth six-year term.

Edward Proxmire? That's right, although he's better known as William, or Bill. When Edward William Proxmire was 6 years old, he was captivated by the silent-film star Bill Hart and insisted on dropping his first name.

His name was recognized by 48 percent of those interviewed in a Gallup Poll, not because of his legislative victories but because of his eccentricities.

He is:
• The dogged warrior against government waste, awarding monthly "Golden Fleece" awards to such government projects as a Federal Aviation Administration study of 78 body measurements of stewardesses' uniforms and a study by the National Institute of Mental Health on Peruvian broths.

• The only senator not to have missed a roll call vote since 1965.

• The first senator to have a "hair transplant."

• A former Yale University boxing champion who does 100 push-ups every morning, then runs 4.7 miles (7.5 kilometers) to work.

• A politician of such seeming modesty that his biographical sketch in the Congressional Directory reads simply, "William Proxmire, Wisconsin."

• A populist who in 1976 campaigned without contributions. He spent \$197, all his own money. Much of that paid for stationary and postage to return contributions. He plans to do it again and is overwhelmingly favored to win.

Hailed by supporters as a man of the people, fighting the spendthrifts in Washington on issues ranging from the supersonic transport to food stamps, Sen. Proxmire cultivates an image of parsimony and populism that appears to sit very well with voters.

But his critics assail him for demagoguery and hypocrisy. While acknowledging that he is tireless, honest and smart, many colleagues say that he is obnoxious with publicity and that he never takes a stand that is unpopular with voters.

He is a powerful figure because his 25 years in the Senate have made him a senior member of the Banking, Appropriations and Joint Economic committees. The paradox is that he remains the quintessential outsider, spinning friendships and tradition, thus forfeiting some of that power.

The lonely runner is a metaphor that suits him well. Voted "biggest grind" in prep

school, he also was a brilliant student. He is one of the best-prepared senators and among the most articulate in debate.

"You've got to run, run, run," he once said, and he was not just talking about getting to work.

Sen. Proxmire, 66, grew up in Lake Forest, Ill., and attended Yale and Harvard Business School. In 1949 he decided to become a journalist as a stepping-stone to politics. He settled in the Republican bastion of Wisconsin.

He was quickly fired from the newspaper in Madison for, among other offenses, pointing out the shortcomings of an article written by the publisher. He then joined the Union Labor News and, almost as soon as he was eligible to vote in the state, won a seat in the state legislature.

After living in the state just three years, he ran for governor and was defeated. Again in 1954 and 1956, he ran for governor and lost to Walter J. Kohler.

In 1957, Sen. Joseph R. McCarthy tried to pit himself against Gov. Kohler once again in the special election for the Senate seat.

Fighting Back
When Gov. Kohler denied him a "three-time loser," Mr. Proxmire fought back. "If all those who have ever lost in business, love, sports or politics will vote for me as one who knows what it is to lose and fight back," he responded, "I will be glad to give my opponent the support of those lucky voters who have never lost anything."

Mr. Proxmire won.

For the first six months of his Senate career, he was a model freshman — diligent, helpful and seen but not heard. His patience soon was exhausted, however.

He introduced amendments without consulting his party leadership, he filibustered and, most heretofore, he criticized the leadership of Lyndon B. Johnson, who was then the majority leader.

Sen. Proxmire's bete noire is government spending on almost anything but dairy price supports. He consistently receives the highest rating in the Senate from the National Taxpayers Union.

In the past four years, he has returned \$910,612 to the Treasury from his payroll and office allowances, 24 percent of the total, because he hires fewer staff members and spends less than he is permitted. On the road, he eats at McDonald's.

Charges of Hypocrisy
This showy thriftiness and his sometimes moralizing tone invite charges of hypocrisy. Outside Wisconsin, he is criticized for lavishing money on the dairy industry.

When he lost a libel suit filed by a disgruntled scientist who had received a "Golden Fleece" award, Sen. Proxmire let the Senate pick up the \$125,000 tab for legal fees. Stung by criticism for that, he has donated book royalties and fees for radio and television shows to the Treasury to help repay the sum.

Some observers say he was shaken by the 1980 election, in which Sen. Gaylord Nelson, a fellow Wisconsin Democrat, was defeated. Since then, Sen. Proxmire has shifted his stand on the balanced budget amendment (he was against it) and has become more supportive of military spending. The Milwaukee Journal reported that he was "trying to out-Reagan President Reagan."

In Wisconsin, he is a legend who has changed the way politicians must campaign. He was the first Democrat in many years to win statewide office. Now Wisconsin is primarily Democratic. Once he cut a lonely figure out by the flower shed at the state fair, but now it is almost expected that ambitious politicians will press flesh there.

After nine hours of handshaking, stopping only once for a 20-minute lunch, Sen. Proxmire's right hand was red and creased and wrinkled.

"Well, that's all for today," he said brightly, and with one last "howdy" to a constituent, he disappeared toward the exit of the state fair and a dinner at McDonald's.

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Herald Tribune

Published With The New York Times and The Washington Post

The Pipeline Fiasco

From THE WASHINGTON POST

President Reagan's crusade against the Soviet gas pipeline is working out badly for American national interests. It was supposed to be a test of wills between East and West. Instead, it is turning out to be a test of wills between the United States and its European allies. Far from punishing the Russians for imposing martial law in Poland, it is giving them the only foreign political advantage that they have been able to extract from the whole Polish affair.

France has ordered that three gas compressors, built in France by the French subsidiary of Dresser Industries, be sent to the Soviet Union. The Reagan administration has threatened penalties against Dresser if the delivery is made. The French government has threatened criminal prosecution of the subsidiary, Dresser France, if it is not made. A French victory on this one is assured, since the equipment is in their country. The United States has let this affair degenerate into a highly public effort to impose its foreign policy on France. The French are not likely to lose that one, either.

Mr. Reagan wanted to express American outrage at the suppression of Solidarity last December and to try to force the Soviet Union to relax it. He was not wrong about that. In addition to all of his earlier arguments against the pipeline, and for the embargo, there are now reports that the Soviets are using slave labor from the prison camps to accelerate construction. No one can claim to be surprised if those reports turn out to be true.

Newspeak in Japan

From THE NEW YORK TIMES

West Germany reared only a few years after Hitler's defeat and without regaining the militaristic nationalism its neighbors feared. The returns from Japan's neighbors are not yet in, as can be seen in the controversy over the rewriting of history textbooks by Tokyo's Education Ministry to soften accounts of Japanese wartime brutality.

Japan is finally starting a military buildup, long urged by Washington, 37 years after World War II. It is supported by a new domestic consensus that came from the Soviet invasion of Afghanistan, the threat to Japan's oil supplies and Washington's insistence that Tokyo defend its sea lanes out to a distance of 1,000 miles. The buildup was accepted initially by Peking, as a way of containing the Soviet Union. But the history controversy has revived such concern there and elsewhere about Japanese militarism that Prime Minister Suzuki is being forced into a reversal by his education minister.

The controversy heated up after the press disclosed a Japanese Education Ministry memorandum that sought to justify the revisions. It said the number of Chinese civilians slaughtered during the "Rape of Nanking" had been deleted because historical accounts ranged from 10,000 to hundreds of thousands. References to Japanese "aggression" were deleted and Japan's invasion of China was termed an "advance," it said, to achieve consistency with euphemisms for European incursions in the 19th century.

South Korean street demonstrations called for breaking relations with Tokyo and banning Japanese imports unless the books were amended. China gave a chilly reception to Japanese officials sent to explain the changes. Prime Minister Suzuki finally realized that the controversy could endanger his visit to Peking next month to commemorate the 10th anniversary of normalization, and intervened.

To Americans as well as Asians, the changes sound a lot like Orwell's newspeak. Even more dismaying is that Education Minister Heiji Ogawa refused for six weeks to answer the criticism. All he would say publicly was that the changes had been recommended by a committee of responsible teachers, scholars and public members — not by extreme nationalists.

His view, however, was not the only one in Japan. Opposition leaders in the Diet urged corrections. The vigorous Japanese press, which revealed the book revisions, refused to drop the issue.

Foreign Minister Yoshio Sakuruchi struggled openly with his Cabinet colleague, rejecting the thesis that the issue was an internal affair. "The point," he said, "is whether Japan, in the eyes of the countries concerned, is abiding by responsibility for its past actions as stated in separate postwar joint communiqués with China and South Korea."

That Japan needed such a reminder is disturbing. So was Suzuki's prolonged reluctance to challenge the right wing of his conservative party by overruling his education minister. Now he insists he will settle the issue "in a manner acceptable to China" before his September visit. It is welcome if belated recognition that newspeak is newspeak, whatever the reason or the region.

Other Editorial Opinion

Swaziland's Future

Relations with South Africa will continue to be the thorniest issue facing Swaziland [after the death of King Sobhuza II].

By supporting the Southern African Development Coordination Conference (SADCC), which seeks to lessen the dependence of the regional economy on South Africa, Swaziland, Botswana and Lesotho have clearly signified that they would prefer not to become part of a South African satellite system or "constellation of states." Outside support for these countries will therefore continue to be vital to them if they are to preserve their political independence.

There are close historical ties between [Britain] and Swaziland. As the new monarch faces painful geopolitical dilemmas, he will also need to ponder how, internally, the political system can open up for those Swazis who were becoming impatient with the late monarch's benevolent autocracy. As he seeks the balance between continuity and change, the best king should have [Britain's] sympathy and support.

—The Times (London).

Lebanon's Election

A while ago it [Israel] would have expected to be well pleased by the election of Bashir Gemayel as president, but [he] has now said

he will not sign a peace treaty with Israel. His Christians are divided and he badly needs to win some support from the Moslems, who could otherwise resist him to the point of causing civil war. He is unlikely to be the compliant representative of Israeli interests which some expected.

—The Times (London).

Mr. Gemayel [bears] what many in Lebanon will regard as the stigma of being a willing tool of Israel.

It is true that the Phalangists have openly cooperated with Israeli forces during the recent fighting. Their militias have been largely equipped by Israel. Mr. Begin has publicly congratulated Mr. Gemayel on his election in fulsome terms.

Both these factors, Mr. Gemayel's reputation in the civil war and his close association with Israel, are admittedly daunting ones for Lebanese Moslems to contemplate.

Yet the obvious very often does not happen. It seems frankly absurd to assume that Mr. Gemayel, who is an educated and sophisticated man, is going to take up his six-year term as president of Lebanon next month with the intention of resuming the civil war. Equally, because the Phalangists have been backed by Israel, it need not follow that as president Mr. Gemayel will be Mr. Begin's puppet.

—The Daily Telegraph (London).

Why the World Oil Glut Might Be Here to Stay

By Hobart Rowen

WASHINGTON — If there ever was any doubt about the impact of the oil glut on the economies of the OPEC countries, it has been dispelled by the annual report of the International Monetary Fund. In the two-year period, 1980-82, which marks the second oil-price "shock," OPEC's financial surplus plunged from \$116 billion to an estimated \$25 billion this year.

The underlying lesson is that the Western industrialized nations' dependence on Middle East oil has fallen sharply. For example, in the first quarter of 1982, U.S. oil imports from the Middle East were only 1.1 million barrels a day, or 6.9 percent of U.S. consumption, compared to the 1977 peak of 3.7 million barrels, or 20.2 percent of consumption.

But the perception of this fact tends to lag behind reality in some U.S. government offices. At the CIA, they still believe the script as written two years ago — that American dependence on Middle East oil will rise until the end of this century.

But no one could have failed to notice that during the long crisis in Lebanon, not only did Arab nations not rush to the aid of the Palestinians, but no U.S. government official threatened an oil embargo as a counter to the Israeli effort to wipe out the PLO.

"The Saudis have shot their bolt," said

Prof. Elyahu Kanovsky in an interview here. Kanovsky, a visiting professor at Queens College, New York, and professor of economics of Bar Ilan University in Ramat Gan, Israel, is one of a small band of oil analysts who two years ago saw the oil glut on the horizon.

Along with C. Fred Singer of the University of Virginia's Energy Policy Studies Center, Kanovsky foresaw that a revolution in both supply and demand for oil was taking place that would create a huge oil surplus, dramatically reduce the world price for oil and shake the economic foundations of OPEC.

If supposedly smart bankers had taken these warnings seriously, they might not have poured money down the drain in tarry investments in Canada or in Penn Square National Bank energy "participations" in the American Southwest. But they all counted on the price of oil going straight up, with OPEC in the driver's seat.

Even now, some thoughtful analysts raise doubt about the permanence of the glut. Americans for Energy Independence, for example, this week warned against complacency. Economic recovery, this group said, could increase demand for oil and thus recreate a dependency on OPEC.

But Kanovsky, in a soon-to-be-published paper, argues convincingly that the glut is here to stay, regardless of economic recovery, because "large-scale investments in energy efficiency as well as in energy-switching have a long-term impact."

Thus, even with a return to a 3 to 4 percent global annual economic growth rate for the remainder of this decade (which no authoritative source expects), Kanovsky says that "oil consumption is not likely to rise" at all. The historically overoptimistic Exxon Corp. has now lowered its forecast for growth in consumption to less than 1 percent annually until the end of the century.

Increases in non-OPEC oil production in the free world could easily take care of such a consumption increase. Kanovsky points out that the rise in non-OPEC output from 5 million barrels per day in 1976 to a spectacular 21 million barrels a day in 1981 was the response, mostly, to the first oil shock of 1973. Extensive drilling and exploration activities since the 1979 oil shock have yet to pay full dividends.

Now come back to the depressing economic statistics for OPEC cited by the IMF: Most of the cartel countries, including Saudi Arabia

and Kuwait, had planned huge domestic budget increases on the assumption of an ever-increasing stream of oil money. It is hard, now, to adjust to more austere times.

"The conspicuous consumption of the thousands of Saudi princes has raised expectations amongst the millions of others," says Kanovsky. "The Saudis are on a collision course between rising expenditures and falling revenues, and their ability to control these trends is very limited."

How about the Iran-Iraq war? Once it is over, Kanovsky argues, Iran, Iraq and fellow OPEC members will have no choice but to boost their oil output to help pay for the war and to rebuild the Iraqi and Iranian economies.

To sum up, Kanovsky sees OPEC fighting for a share of the market. The cartel will be dependent on the consuming nations, rather than the other way around. That means downward pressure on oil prices, with no ability to cut production to sustain prices. Such a "gradual deflating" of Middle East oil will require further and perhaps painful domestic adjustments inside OPEC. It also will force the Western consuming powers to re-evaluate the political and strategic importance of the Gulf producers.

The Washington Post.

A Jordanian Call for American Recognition of the PLO

By Hassan Bin Talal

The writer, the crown prince of Jordan, stated his country's views in a commentary in the Washington Post.

AMMAN — Nine weeks after the eruption of the Israeli military action in Lebanon, the United States, after exerting long-awaited pressure upon Israel, has brought about a halt to the fighting and contained the immediate violence. Yet there is nothing more temporary than the temporary.

The time has now come for the American public to realize that the unquestioning support given by successive U.S. administrations to Israel in financial and military assistance helps, by definition, to promote the past and present outrageous actions of the Begin-Sharon government, as well as the fait accompli of Israel's expansionism. As we all know, this has led to the horrifying human suffering inflicted upon Lebanon and to the continuing violent repression of the Palestinian Arabs in the Arab-occupied territories of the West Bank, Gaza Strip and the Golan Heights.

The time has also come for the American public to realize that no amount of financial and military support for Israel will enable Israel to wipe out the aspirations of the Palestinians, or to destroy the PLO as a political force. A durable and comprehensive resolution of the Palestine question has remained the crux of the

Middle East issue since the beginning of the Arab-Israeli conflict of more than 34 years ago, the longest human tragedy in modern history.

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Security for states and justice for peoples are indivisible principles. It is

also a foregone conclusion that total security for Israel implies total insecurity for its neighbors. In other words, the right of all states to live in peace and within secure boundaries cannot be enjoyed exclusively by Israel (the world's fourth-largest military power, as well as the region's only nuclear force), but should apply equally to the Palestinian and Arab people, whose desire to live in peace and dignity has yet to be respected by the United States. Surely the human problems of the region, whether in Lebanon or the West Bank and Gaza Strip, cannot be resolved by the United States without its demonstrating recognition of the fact that they exist.

The past nine weeks of Israel's war in Lebanon have diverted international attention from developments in the occupied territories.

The Israelis have opened prisons to detain those opposed to Village League leadership imposed by the occupation authorities; elected mayors and cooperative leaders have been imprisoned or expelled, and patronage of day-to-day life has been channeled through the Israelis into the hands of their home-grown Palestini-

an leadership in what has become a caricature occupation.

If the Israelis claim, a priori, that the PLO does not represent the Palestinians, why should they then militarily impose their "quelling leadership" — as one Israeli opposition spokesman has described it — upon the Palestinian Arabs. The stimulation of civil strife, in the colonial formula of divide and rule, is intended to serve the World Zionist Organization plan to reduce the Arabs in the occupied territories to minority status by 1985.

The American public is fully aware that there can be no moderation without recognition. Double standards must cease in dealings with the Arabs and the Israelis.

It should not be forgotten that the Palestinians can only realize their legitimate political aspirations on Palestinian soil through the exercise of their right to self-determination and statehood, a right recognized by the majority of the international community of states.

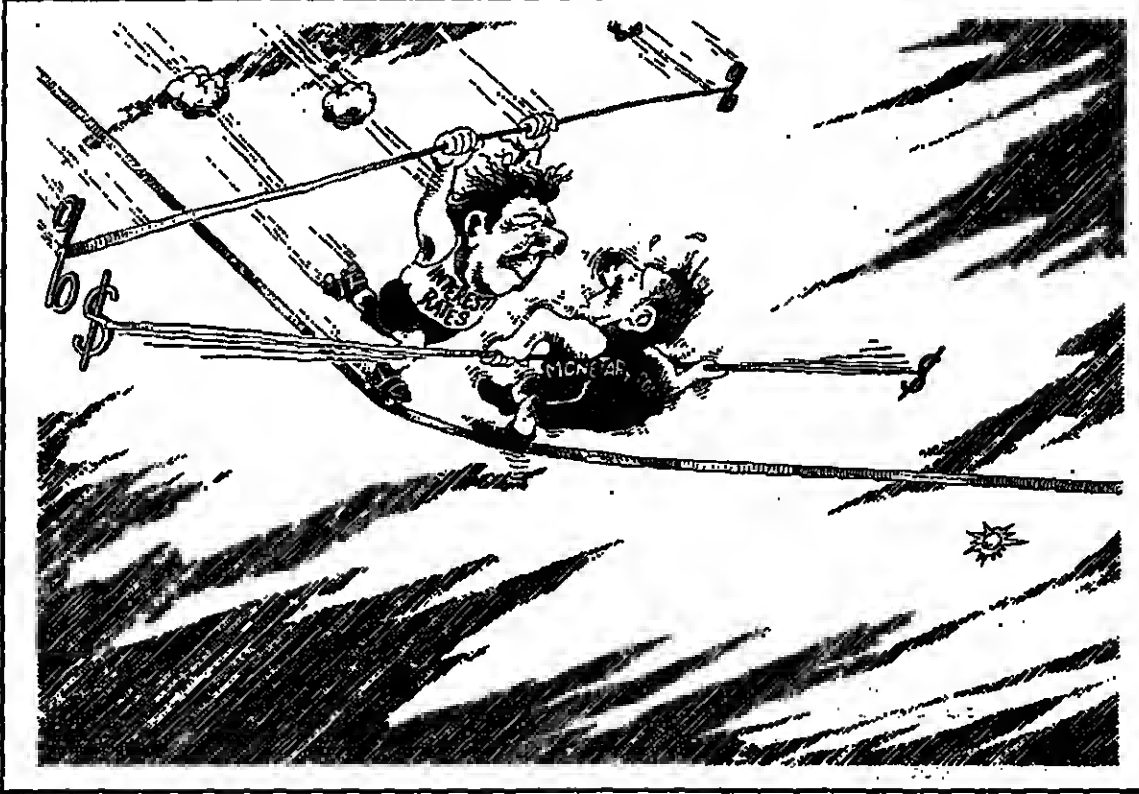
Israeli extremism, whether in Lebanon or in its support of Iran in the Gulf war, has been matched by the

extremism of some radical Arab states who seek zones of influence in both these theaters of conflict. Yet the obvious trauma for Palestinians and Arabs alike is the indentured servitude faced on the hostage inhabitants of the territories occupied since 1967. In other words, the specter of the de facto annexation of these territories will be a sequel to the status quo of zones of extremism in Lebanon.

Respect for United Nations Resolution 242 involves us all, if the search for peace in this region is to be envisaged. The alternative of militant fundamentalism and ethnic balkanization could be the fate for the cradle of the three Abrahamic religions.

The time has come for the aspirations of the dispossessed Palestinian people for full and free self-determination, not anywhere but on the Palestinian soil of their forefathers, to become a reality.

If Israel continues to ignore the fact that politics in the region can only be exercised when people, and not only resources, matter, then the words of an Israeli university professor will still ring true: "Deep in our hearts we know we only bought time."



Caribbean Basin Plan Called Crucial

By Frank McNeil

LAKE WORTH, Fla. — If the United States is to play a constructive role in the Western Hemisphere in the decade ahead, instead of just reacting to unpleasant events, the first order of business is to make the Caribbean Basin Initiative a reality, particularly its provisions involving trade and aid.

Congress is likely to approve \$300 million to \$350 million of the emergency economic assistance that the Reagan administration has requested for the small, struggling, mostly democratic countries of the Caribbean basin. But the heart of the initiative, the trade and investment incentives, continue to be bogged down, hostage to the congressional calendar and domestic concerns.

Historically, Costa Rica is Latin America's most successful democracy, with sustained economic growth and the highest educational and health standards south of the Rio Grande. But in the last three years its economy has plunged into near-collapse, the victim of misallocation of resources and world conditions.

Costa Rica's own recovery efforts, which are now under way, probably will not suffice without the initiative's trade and aid sustenance, which is similarly indispensable elsewhere around the Caribbean. The effects of economic collapse upon the vitality of the region's democratic institutions and upon the United States' other interests, security and economic, are easy to project.

It is somewhat correct to say that bipartisan foreign policy died with the Vietnam War. But while important foreign policy differences divide the two parties, common sense suggests that fundamental national interests transcend partisan considerations. The United States' compelling interest in the Caribbean Basin Initiative has been obscured by the debate over El Salvador, leaving the importance of the initiative much better understood by our neighbors than in the United States.

I do not want to minimize the importance of El Salvador. But except for the hemisphere's terminal Lenin-

ists, who fear the consequences of anything good coming from Washington, all parties to the El Salvador debate should welcome the Caribbean initiative, if only because it will help avoid other El Salvador.

If one-tenth of the time devoted to El Salvador had gone into public discussion of the Caribbean initiative, the proposal might well have become law by now. Concerns in the United States about its effect on the U.S. economy and job picture — particularly understandable at a time of high unemployment — do not stand up under close scrutiny.

Caribbean basin countries and their economies are so small that the proposed elimination of tariffs, which today apply to only 15 percent of the products they export, would have a negligible effect on U.S. firms. Expansion of the small volume of Caribbean exports would for the most part come at the expense of larger, more distant foreign exporters who would not have tariff advantages.

What is of negligible importance to the United States, however, offers large benefits to these small countries, buoying their economies over time and, in some cases, spelling the difference between economic and political success and failure.

After President Reagan announced the initiative, many Latin American political and economic leaders publicly judged it Washington's most important initiative since John F. Kennedy's Alliance for Progress, because it responded to Latin American countries' long-standing claim to access to U.S. markets. That access would permit expanded investment, production and employment and earn more foreign exchange; otherwise, these countries would continue to go into ruinous debt, eventually ceasing to buy U.S. products because they could no longer obtain dollar financing.

When Costa Rica's new president, Luis Alberto Monge, recently visited Washington at President Reagan's invitation, he came burdened with

many economic problems and the aggressive meddling of neighboring Nicaragua. Nonetheless, he concentrated in his discussions with the executive branch, Congress, the news media, labor and business on the importance to the region of the Caribbean initiative. He surprised many people who expected only pleas for assistance when he said that access to markets was more important than aid because trade opportunities would sustain increases in employment, production and export revenues.

Similarly, the freely elected leaders of Jamaica, the Dominican Republic, Honduras and other countries have argued for the initiative, seeing it as an imaginative, sensible contribution to cutting the Gordian knot that ties their countries to the cycle of poverty, debt and instability that has made the region an obvious target for the attentions of Moscow, Havana and even Managua. It is time the United States listened to these democratic leaders. If they fail, the United States fails.

The author was U.S. ambassador to Costa Rica for two years and has spent 26 years in the Foreign Service, half of them in Latin America. He contributes this commentary to The New York Times.

Taiwan Policy: A Move To Assure Asian Peace

By Stanley Karnow

WASHINGTON — President Reagan's latest agreement with China is a masterpiece of ambiguity. But since diplomacy is the art of the possible, it is a workable accommodation that favors the purposes of all the parties involved.

So critics of the compromise ought to refrain from denouncing it — unless they can propose a more plausible alternative. Plainly, though, they have nothing to offer.

The big complaint of Sen. Barry Goldwater and other conservatives is that Reagan has capitulated to the Chinese by conceding to their demand that he restrict future arms sales to Taiwan.

But that gripe overlooks the central issue — which is that a sound relationship between the United States and China is a key to stability in Asia and elsewhere. And without it, American, Chinese and Taiwanese interests would be jeopardized.

Richard Nixon recognized that reality when he staged his spectacular trip to China a decade ago, calling his journey "the week that changed the world."

As Nixon perceived, solid Sino-American ties are important as a counterweight to the Soviet Union. In addition, they serve to placate Japan, the principal U.S. ally in the Pacific, which had been trapped in the crossfire of antagonism between the United States and China before Nixon's voyage to Peking.

From America's own viewpoint, therefore, it was vital for Reagan to repair the U.S. connection with China that Nixon had created — and which had been deteriorating badly within the past year.

Another benefit for the United States in the fresh understanding is that it strengthens the internal political position of Chinese Vice Premier Deng Xiaoping on the eve of a crucial Communist Party congress.

Deng is no advocate of New England Town Hall democracy. But he has been struggling to restore a measure of rationality to China after the convulsions of Mao's Cultural Revolution, and he needs American and other Western technological help.

He has been battling against his own Goldwaters — hard-line ideologues who contend that a link with the United States represents a betrayal of the revolution. Thus continued Sino-American tensions would have undercut him, and brought to the fore the old zealots whose doctrines spell trouble.

The extent to which Deng was willing to go to rebuild his relationship with the United States is reflected in the communiqué that followed the recent agreement with the Reagan administration.

Despite their argument that the Taiwan problem is a domestic affair, the Chinese nevertheless pledged to find a "peaceful solution" to the question.

That promise may not be reassuring to the regime on Taiwan and its American supporters, who warn against trusting the Communists. But it is equally pointless to assert that Taiwan's security lies in bigger and better weapons.

For one thing, the new Sino-American accord does not stop the delivery of U.S. hardware to Taiwan. A Northrop plant on the island will continue to assemble F-5E jet fighters equipped with American-made engines, and the aircraft are adequate to protect Taiwan against invasion.

The vagueness of the agreement further leaves open the possibility that the United States can step up its military assistance to Taiwan in the event of a threat by China. But such a threat is unlikely.

The Chinese are confronted by a massive Russian force on their northern frontier and by a Soviet-supported Vietnamese Army along their southern borders. They can barely keep their economy on an even keel.

So it is ludicrous to expect that they could mobilize the resources to mount an amphibious attack across the 100-mile-wide Taiwan Strait. However, they do have another option for squeezing the island.

Taiwan is one of the great economic success stories of the post-war generation. Once a sleepy agricultural community, it has leaped forward into sophisticated technology, and its prosperity seems to be boundless.

But its affluence depends on exports. And it is conceivable that, in a crunch, China might exert pressure on the West to cease trading with Taiwan. Such a tactic could dent the island's economy.

Hence Taiwan's security hinges not on its military establishment, but on its economic equilibrium — and that is not going to be guaranteed by advanced jet fighters.

On the contrary, the safety of the island resides in peace in Asia, and the Chinese-American agreement, with all its imperfections is a step in that direction.

Tribune and Register Syndicate.

LETTERS TO THE EDITOR

On Transylvania

Regarding "Hungary at the Table" (HT, Aug. 20): I truly enjoyed Mr. Apple's very vivid, factual and "mouthwatering" article about Hungarian cooking. I also agree wholeheartedly with Mr. Apple when he states that "Transylvania is the most Hungarian part of Hungary, and stuffed cabbage seems to me the most Hungarian and succulent of Hungarian dishes...." There is only one very sad fact behind this seemingly very true and logical statement, namely, Transylvania with its over 2 million Hungarian population and

former capital of Kolozsvár is not "part of Hungary" anymore but is now unjustly and illogically annexed to Romania after the Second World War.

ADAM N. FEKETE, Hülseberg, Switzerland.

Egypt's View

Regarding "From Nasser to Mubarak: Egypt's Difficult Journey" (HT, Aug. 17): Mr. Mubarak, the Egyptians are "beggared" by Israel and that the peace treaty has "failed." I don't understand what else they expect the Israelis to do for

them. Egypt was returned the whole of the Sinai and Israel in its recent pledge of peace. Israel has nothing more to give to Egypt except the continuation of that past M. SCOTT GORDON, Gstaad, Switzerland.

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Executive Editor: ROLAND FINSON
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Associate Publisher: Director of Finance
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International Herald Tribune, 181 Avenue Charles de Gaulle, 92000 Neuilly-sur-Seine, France
Telephone 747-1265, Telex 612718 (Herald), Cables Herald Paris.

Directeur de la publication: Walter N. Thayer
General Manager, Asia: Alan Lee, 34-34 Hengseng Rd., Hong Kong, Tel. 5-28 56 18, Telex 61170
S.A. au capital de 1,200,000 F. R.C.S. Nanterre B 732021126. Commission Paritaire No. 34231.
U.S. subscription: \$256 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
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مكتبة الأصيل

U.S. Envoy Gave an Insider's Perspective to Peking Talks

By Michael Weisskopf

WASHINGTON — On Aug. 15, a weary but relieved Arthur W. Hummel Jr. shook hands with Chinese officials across a green, felt-topped negotiating table and set Chinese-American relations back on course after months of strain.

Chinese and U.S. diplomats had been struggling over endless cigarettes and cups of tea since last October, trying to solve what seemed insoluble — Washington's military commitment to Taiwan vs. Peking's claim to the capitalist island.

But when Mr. Hummel left the negotiating session, he had an agreement that drew China and the United States back from the edge of diplomatic breakdown.

For Mr. Hummel, 62, who has been U.S. ambassador to Peking since August, 1981, it was just the latest skirmish in an internal Chinese "civil war" that he has been waging on and off most of his life.

Mr. Hummel brings to his post a background that is unique in the U.S. Foreign Service. A "missionary brat" born in China, Mr. Hummel fought with Nationalist guerrillas during World War II. As a UN relief official, he gained first-hand knowledge of the conditions that led to the Communist victory in 1949 and the flight of the Nationalists to Taiwan.

From his early days, he fashioned himself as a renaissance man, hitchhiking across America's Midwest and taking such odd jobs as private detective and factory worker before entering government service.

Yet for all his flamboyant years in other countries, "China is the center of his life," a fellow diplomat in Peking said.

The diplomatic colleague, who has known Mr. Hummel for 30 years, said he "has an understanding of its history, the Chinese way of doing things. This gives him a special perspective."

Mr. Hummel brought the perspective with him to the negotiating table in recent months. His comprehension of Chinese gave him extra time to formulate his responses while the English translators worked. His familiarity with Chinese officials made it easy to slip away from the intense sessions for an informal chat over lunch, when, he said, "we made progress and gave each other clues."

"The personal dynamic helped in convincing the Chinese of the American reasons" for selling weapons to Taiwan, "but how much that affected their decision-making, I don't know," he said in a recent interview. "Personal acceptability is one thing, and foreign policy is another."

Mr. Hummel was born in Shanxi province in 1920 and spent his first eight years in Peking, where he learned Chinese. His father was a Congregationalist minister and noted Sinologist whose history of the Qing Dynasty still is considered a standard in the field.

After his father moved to Washington, Mr. Hummel became a rebellious youth. He was twice thrown out of prep school, and he dropped out of Antioch College. By his own description, he lived like a hippie before it was fashionable.

He decided to go back to China in 1940 and was teaching English in Peking when the Japanese bombed Pearl Harbor in December, 1941. Japanese troops occupying Peking arrested Mr. Hummel in a roundup of enemy aliens. He spent the next two years in an internment camp.

By 1944, he had managed to escape the prison camp in Shandong province with the help of a Nationalist Chinese guerrilla band then fighting against the Japanese and Chinese Communists. Mr. Hummel joined the guerrillas, and for the next 15 months he fought Japanese and their puppet Chinese troops.

It was during his days as a guerrilla, fighting under the name of "Huang Anshi," that Mr. Hummel learned the power of Chinese nationalism. He carried the lesson with him to the negotiating sessions in Peking 40 years later.

"Nationalism is a very powerful factor," he said. "It was the [Chinese] insistence on sovereignty that was the problem of Taiwan, and that's basically a nationalistic element."

Mr. Hummel worked for a year after the war as a UN relief officer surveying Communist-controlled areas of China's northeast, then returned to the United States to take a graduate degree in Chinese from the University of Chicago.

Moving Up

He joined the State Department in 1950 and put his China background to work right away. High-ranking U.S. diplomats were embroiled in the McCarthy charges of selling out China to the Communists, and the new staffer helped prepare their defense.

He became the No. 2 man at the U.S. Embassy in Taiwan from 1965 to 1968, and then, for three years, ambassador to Rangoon, where he determined that large quantities of opium were being smuggled out of Burma.

Back in Washington, he was acting assistant secretary of state in 1973 when he helped Chinese officials set up a liaison office, the first step in the lengthy normalization process.

Ambassador to Pakistan

In 1973, Mr. Hummel became adviser on China to Secretary of State Henry A. Kissinger. The two men did not always agree.

"To this day, Henry likes to tell people that I'm mean to him," Mr. Hummel said with amusement.

Mr. Kissinger dispatched Mr. Hummel as ambassador to Ethiopia.

His star began to rise again when President Jimmy Carter sent him to Pakistan, where he was head of mission when Islamic radicals set fire to the U.S. Embassy in 1979. Mr. Hummel, who was at home during the siege, called President Mohammed Zia ul-Haq and arranged for the rescue of his staffers and visitors, who were trapped at the embassy.

Mr. Hummel believes it was his success in bringing Pakistan more firmly into the U.S. orbit by putting together a \$3-billion aid package in 1981 that convinced Secretary of State Alexander M. Haig Jr. to give him the coveted China post.

To his admirers in Peking, it seemed like the natural assignment. "He's absolutely unflappable," a U.S. Embassy official said. "He understands the Chinese negotiating techniques and the meaning behind the barrage of words."

But Mr. Hummel believes too much can be made of his expertise in untangling the China puzzle. "These people are not very different from anyone else," he said. "The rules of the game are a little different, but once you understand the social milieu, there's nothing very esoteric about dealing with China."



Arthur W. Hummel Jr.

Politics, Economy Still Troubled As Portugal Erases Leftist Reforms

By Paul Lewis

LISBON — While most of the population sweltered peacefully on the beaches, Portugal this month rid itself of a major relic of its brush with Communism after the revolution of 1974 that overthrew a 40-year dictatorship.

After two years of political maneuvering, the Portuguese parliament finally mustered the necessary two-thirds majority to reform the Marxist-leaning constitution of 1976 and abolish the committee of leftist army officers known as the Council of the Revolution. The council had powers to veto legislation it considered unconstitutional.

In the same reform, the Assembly of the Republic sharply curtailed the powers of the country's president, Gen. Antonio Ramalho Eanes, who headed the council.

The vote was immediately hailed as a major political victory for Premier Francisco Pinto Balsemão's center-right coalition government. Mr. Balsemão's plans to open up more of the Portuguese economy to private enterprise have repeatedly been frustrated by the Council of the Revolution.

It is also being presented as a significant consolidation of parliamentary power in Portugal at a time when democracy is under strain in neighboring Spain and other southern European countries — and has been snuffed out entirely by the military in Turkey.

But while both claims are true to a point, marching the Council of the Revolution back to barracks will do little in the short term to ease the problems of economic backwardness and political inexperience confronting Portugal.

Originally the Balsemão government wanted to abolish the Council of the Revolution as part of a sweeping revision of the 1976 constitution that would purge it of all leftist aspects. But Mario Soares' opposition Socialist Party agreed to provide the majority needed to get rid of the council only after Mr. Balsemão dropped plans to scrap Portugal's constitutional commitment to Socialism and agreed to preserve the "irreversible" nationalization of banks and other, key industries, including cement, steel, transport, communications and brewing.

The Balsemão coalition, Portugal's longest-lasting government since 1974, has already started to reverse some of the economic reforms carried out by the leftist officers who were so prominent in the 1974 revolution, returning confiscated farmland and encouraging foreign investment. Undeterred by its failure to denationalize Portugal's huge money-losing state sector, the government hopes to make it more efficient, even though this could increase unemployment.

It also wants to develop a new private banking system in competition with the state-owned one, and is encouraging dispossessed industrialists to buy back their old companies. Later this year, the government hopes Ford Motor Co. will put an American seal of approval on its free-market-oriented policies by completing plans for a \$900-million automobile plant at Sines, south of Lisbon, creating 11,000 badly needed jobs and substantial export earnings.

Despite these moves, the government has failed to make much impact on an inflation rate of 15 percent to 20 percent, a huge trade deficit, unemployment of at least 15 percent and an average income of only \$2,000 a year.

Also, France's government is wavering on the subject of European Economic Community membership for Portugal and its neighbor Spain. Increasingly the talk in Paris, where there is fear that an influx of cheap wine, fruit and industrial products will only add to the French unemployment problem, is of some form of partial membership for the two Iberian applicants that would limit their access to the markets of the other community members.

The Portuguese government's failure to get all the constitutional reforms it wanted is increasing tensions between the three factions coalition partners, Mr. Balsemão's Social Democrats, the rightist Christian Democrats and the small monarchist party. Some political observers believe that despite the government's success in abolishing the Council of the Revolution, Portugal is heading this fall for a political crisis it can ill afford.

Meanwhile, as the politicians squabble, the opinion polls show that Gen. Eanes, a colorful but palpitantly honest figure, is easily the country's most popular leader despite his recent humiliation by parliament. After more than a generation of fascist rule, the Portuguese still preserve a lingering fondness for a strong hand on the tiller of the state, and this may grow stronger still if the politicians fail to do better.

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Laura Clark in Houston after being placed on probation for possessing marijuana. Behind her is her attorney, Bill Porcia.

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Beatrice Saubin, a Frenchwoman, is taken to a Kuala Lumpur court to appeal a death sentence for drug smuggling.

Frenchwoman Wins Plea Against Death in Malaysia

KUALA LUMPUR — A Malaysian court Wednesday commuted the death sentence passed on Beatrice Saubin, 22, a French secretary, to life imprisonment.

But the court dismissed her appeal against her conviction in June for trafficking in 534 grams (19 ounces) of heroin worth more than \$500,000.

Miss Saubin gasped with relief when the sentence was commuted and told her lawyer, K. Kumaraendraraj: "I owe it to you." The lawyer said that since she had already been held for 2½ years, Miss Saubin would probably serve about 11 years with remission.

She pleaded not guilty at her trial, maintaining she did not know the heroin was hidden in her suitcase when she was arrested at Penang airport in January, 1980. She said that her lover, Eddy Tan Kim Soo, who has not been traced, used her as an unwitting courier.

The Legal Defense and Educational Fund's lawyers spend a great deal of time coordinating the search for willing lawyers with the few small regional and state organizations that are involved in opposing capital punishment. These groups include the Southern Prisoners' Defense Committee in Nashville, Tenn., Millard Farmer's Team Defense Project in Atlanta, the Southern Poverty Law Center in Montgomery, Ala., the Florida Clearinghouse on Criminal Justice in Tallahassee, and the Prison and Jail Project in Durham, N.C.

Almost without exception, the people on death row are poor. Volunteer lawyers are essential to make their appeals. Mr. Bilger of the Legal Defense and Educational Fund said, because the states provide public lawyers for only a portion of the long and complicated appellate process.

In the midst of a perceived public clamor for executions — a minor candidate for governor in Georgia campaigned around the state with a mock electric chair towed on a trailer behind his car — the efforts of the volunteer lawyers on behalf of those convicted of murders are often not widely appreciated.

"These lawyers take on extraordinarily difficult, highly unpopular, emotionally charged cases on short notice," Judge Lynn C. Higby of the U.S. District Court for the Northern District of Florida wrote in an opinion last April, denying the relief sought by a volunteer lawyer, Stephen Bernstein.

"So long as the state of Florida persists in ignoring reality by refusing to provide defendants sentenced to death legal assistance in their collateral litigation," Judge Higby continued, "I hope for the sake of our judicial system, our constitutional guarantees and the rights of the defendants that there will be lawyers of Bernstein's caliber to help these defendants."

Remembering the Spenkelnick case, and faced with a mounting case load of such large numbers, wouldn't have chewed it," she said after the verdict. "I was going to do what the doctor told me to do — soak the leaves in alcohol and put the juice on wherever I hurt."

Two plainclothes narcotics detectives said they arrested Mrs. Clark after they went to her house May 4, acting on an anonymous tip, and found five or six marijuana plants. A chemist testified that the marijuana taken from her garden amounted to 506 grams (18 ounces).

Mrs. Clark's lawyer, Bill Porcia, dropped to one knee during final arguments and begged jurors to find the woman innocent. He said later that there would be no appeal.

Mrs. Clark had testified that she was reared in the Ozark Mountains of Arkansas and always had a garden. When she planted the seeds, she said, "I thought they looked like radish seeds. I knew when they came in they weren't."

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Tax Bill's Help Called Insufficient To Bail Out U.S. Social Security

By Spencer Rich

WASHINGTON — The Social Security system needs at least \$14 billion in new revenues or outlay cuts beyond those in the just-passed tax bill to keep going through 1985, according to the director of the Congressional Budget Office.

In the first official assessment by any government agency of the impact of the tax bill on the troubled system, the director, Alice M. Rivlin, told the National Commission on Social Security Reform last week that the tax bill will improve the status of Social Security.

But the system of retirement benefits and disability payments still requires an added \$11 billion in fiscal 1983 and \$3 billion in fiscal 1984 to keep going with only a thin reserve margin of 12 percent of a year's benefits, she said. She added that much larger reserves, up to 75 percent, would be desirable.

The commission was appointed by President Reagan to help recommend a solution, but it is not expected to come up with any proposals until after the elections in November.

Aides later broke down Mrs. Rivlin's figures: Under her office's July economic assumptions, the system would have needed about \$30 billion before passage of the tax bill to keep all three trust funds (old age, disability and hospital insurance) at a 12-percent reserve through the end of fiscal 1983, assuming borrowing among the three funds when needed.

The tax bill is expected to provide about \$16.2 billion of the \$30 billion, leaving about \$14 billion still needed over the three-year period. The \$16.2 billion would come from the bill's \$9.7-billion cuts in Medicare reimbursements to hospitals from 1983 to 1985 (it also cut doctor reimbursements, but they are not paid out of the hospital insurance trust fund); \$4 billion in new hospital trust fund revenues resulting from imposing the 1.3-percent Medicare portion of the Social Security tax on federal employees; and \$2.5 billion from added interest income to the system from these financial improvements. Medicare is health insurance for the elderly.

Sen. John Heinz, Republican of Pennsylvania, a commission member and chairman of the Senate Committee on Aging, said that if the actual economic picture turned out only slightly worse than Mrs. Rivlin's scenario, up to twice the \$14 billion might be needed.

Charles Walters Dies; Was Singer, Movie Director

NEW YORK — Charles Walters, 68, a Broadway singer and dancer who became a director of Hollywood musicals, died Aug. 13.

Mr. Walters introduced Cole Porter's songs "Just One of Those Things" and "Begin the Beguine" on Broadway in "Jubilee." Among the 20 movies he directed were "Easter Parade" (1948), "The Barkleys of Broadway" (1949), "Lili" (1953) and "High Society" (1956).

Philip L. Hehmyer

NEW YORK (NYT) — Philip L. Hehmyer, 37, a cotton futures trader and chairman of the New York Cotton Exchange, was found dead in his Manhattan apartment Monday, an apparent suicide victim, police said Tuesday.

Detectives said they found no suicide note but believed that Mr. Hehmyer was despondent over losing about \$60,000 in the stock market last week. Detectives said he evidently killed himself with a shotgun on Friday.

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مکان من الوطن

SCIENCE

At the Edge of a New World in Physics

By Walter Sullivan
New York Times Service

GENEVA—Using a combination of machines and detectors built on a monumental scale, scientists are ready to launch into a whole new world of physics. In scope and complexity, their project bears much in common with missions into space.

The goal is to find what the scientists refer to as the missing "key-stone" in the family of particles that seem to constitute and control matter at the most basic level.

The celebrated key-stone is a triplet of particles that, it is believed, will fit into what otherwise appears to be an orderly theory of matter and the universal laws that govern it. These three relatively massive, though elusive, particles are known as W, W, and Z.

If scientists are indeed able to observe them, they will see for the first time the particles that carry one of the basic forces in nature—the so-called weak force. To do so, they will be using equipment, at CERN (the European Organization for Nuclear Research) in Geneva, that will generate energy levels no other machinery has ever achieved.

The search began more than 40

years ago. In the words of the experimenters, a successful outcome would represent the capture of "currently the most prized trophies in all physics." The particles are expected to materialize very briefly from the burst of energy released by head-on collisions of highly accelerated protons and their antimatter twins, antiprotons. Five machines will be linked to achieve the necessary energy.

Four-Mile Circumference

The newest of these machines, the Super Proton Synchrotron, is four miles in circumference. It spans the Swiss-French border in a tunnel. Except for a few access buildings and vents, the rural landscape shows no sign of the high-energy events occurring far below.

In tests of the proton collider last fall, the energy produced was thought sufficient to produce the W and Z particles but not enough of them to be observable. The concentration of impinging particles and collisions was too low.

Now, however, the intensity has been considerably improved. Carlo Rubbia of Harvard, who has played a leading role in developing the project, believes that, when the experiment begins running full blast in October, 10 W particles

and one Z particle should be seen daily. Those particles, sometimes referred to as "intermediate vector bosons," would complete the roster of those needed, according to current theory, to account for all the basic forces in nature except gravity.

Evidence from years of experiments indicates that all matter, at the most fundamental level, is composed of two types of particles, leptons and quarks. The leptons, or lightweights, consist of electrons, which encircle the nuclei of atoms; two heavier cousins; and three seemingly weightless particles called neutrinos. The quarks combine to form heavy particles such as the proton and neutron of the atomic nucleus.

For each of these particles, there exists a twin, opposite in electric charge or other such property. These are the particles of so-called antimatter. When matter and antimatter meet, they annihilate each other, releasing a highly energetic flash. In our galaxy, if not in the entire universe, matter predominates. However, antimatter can be created. In high-energy collisions, such as some that occur in nature and those that are planned in this experiment, the resulting flash of energy can materialize as a matching pair of matter-antimatter particles—for example, a proton and an antiproton.

Scientists believe that the fields controlling the behavior of all matter, such as gravitational or electromagnetic fields, exert their force through continuous exchanges of particles between the matter exerting the force and the matter affected by it. For example, the electromagnetic force binding atoms and molecules together is carried by photons. Gravity is thought to be carried by gravitons. In 1935 the Japanese theorist Hideki Yukawa proposed that two other forces acting only at distances smaller than atoms must operate in particle form.

The "strong force" that binds together particles of the atomic nucleus, he said, would be embodied in a moderately heavy particle, now called the meson. The "weak force" governs more subtle reactions, such as the radioactive disintegration of neutrons; it is what blows the neutron apart when it decays radioactively. And the weak force would be carried by a far heavier particle.

It is now believed that the weak and electromagnetic forces manifest the same underlying phenomenon, just as, a century ago, electricity and magnetism were reduced from two theories to a single unified theory.

The new theory regarding the weak force predicts that it is carried by three particles. Two would

be Ws, one positive and one negative, each with a mass of 79.5 GeV (which means that their mass, if turned into energy, would equal 79.5 giga, or billion, electron volts). The third would be a neutral Z particle of 90 GeV.

When two particles collide head on, after being accelerated in opposite directions, virtually all the collision energy becomes available for producing particles, some of which, at high energies, can be very massive. This is particularly true where matter and antimatter particles collide and are themselves converted into energy.

In recent years several laboratories have conducted such colliding beam experiments with electrons and their antimatter opposites, positrons. Electrons and positrons, however, are far less massive than protons and, while the resulting collisions led to a wide range of important discoveries, their energy was not enough to produce W and Z particles. This, however, will not be the case with the Large Electron Positron machine, or LEP, which is scheduled for completion near Geneva in 1987. Its ring, almost 20 miles in circumference, will extend underneath the nearby Jura Mountains.

The electron-positron machines have demonstrated the possibility, within the same ring, of simultaneously accelerating particles and antiparticles in opposite directions. This can be done because they are of opposite charge. Radio waves that nudge particles of matter, such as electrons or protons, to higher energies in one direction around an accelerator ring will do the same in the opposite direction to their antimatter twins.

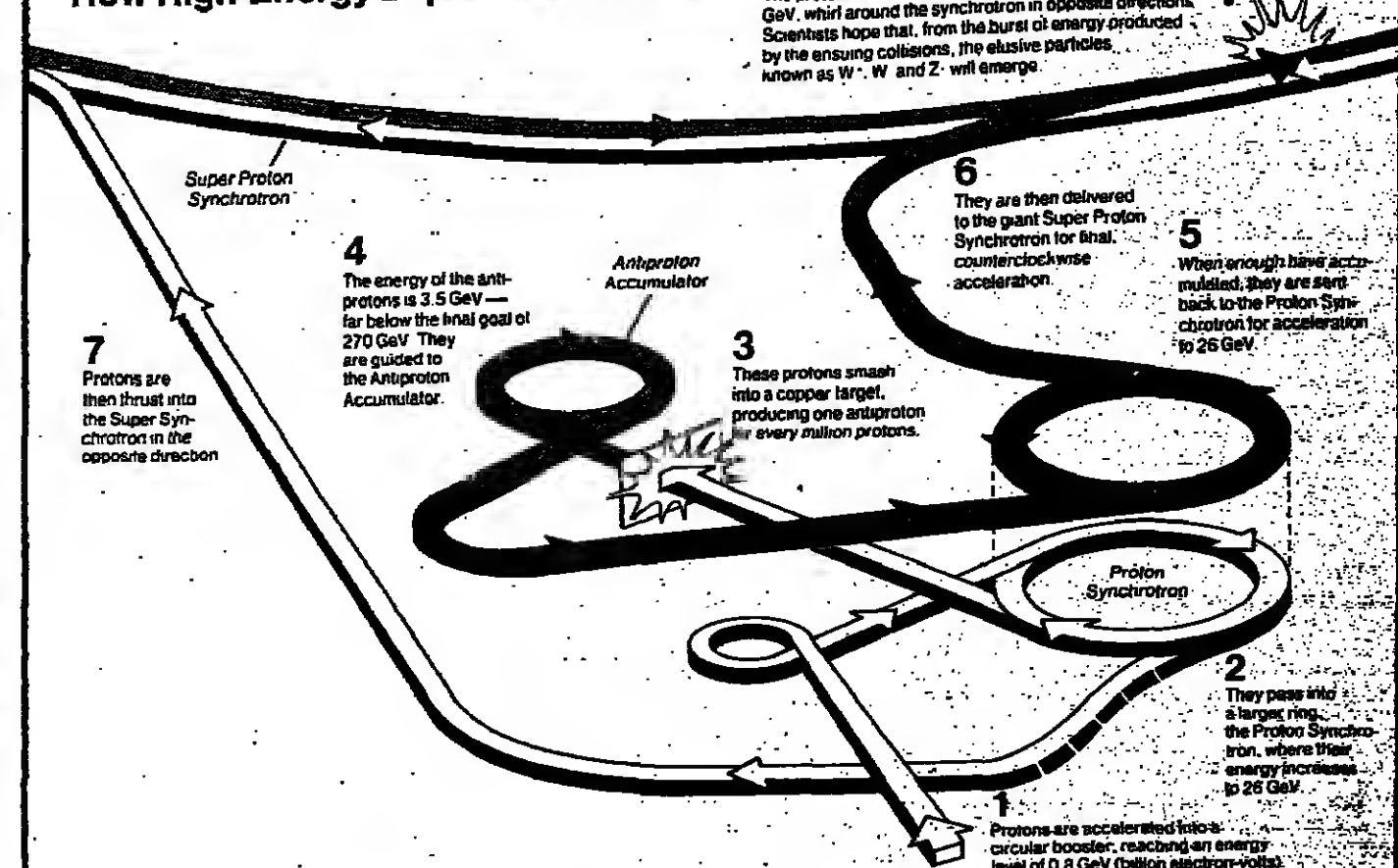
Six-Month Delay

The project was delayed six months after dust was inadvertently sprayed into one of the \$20-million detectors. But once it gets underway again, opposing beams will be boosted to 270 GeV in the large ring of the Super Proton Synchrotron, after an elaborate series of preliminary steps. Protons will first be boosted down a straight path, or linear accelerator, to 0.05 GeV, and into a circular booster for acceleration to 0.8 GeV.

They will then be sent into the larger ring of CERN's original atom smasher—the Proton Synchrotron, completed in 1959—where their energy will be increased to 26 GeV. These protons will smash into a copper target, producing a spray of debris including a very small percentage of antiprotons—roughly one for every million impinging protons.

The energy of the resulting antiprotons will be only 3.5 GeV, far below the final goal of 270 GeV. They will be guided magnetically to a small ring, the Antiproton Ac-

How High-Energy Experiment Works



By producing the highest-energy collisions ever achieved, scientists at CERN, near Geneva, hope to create long-sought particles that would help in efforts to understand the forces of nature.

Every 2.4 seconds a new batch of antiprotons thus generated will be "stacked" in this ring. It will take about 24 hours to accumulate the several hundred billion antiprotons needed for a test run.

A key achievement has been devising a way to "cool" antiprotons in the accumulator. Although the cloud of particles is whirling around the accumulator at close to the speed of light, within the cloud the particles relative to each other are in random motion as though in a hot gas. This motion must be reduced to form a narrow beam. The

situation can be likened to a disorderly field of race horses galloping around a track. To a jockey on one horse the others seem to be moving in all directions. To correct such motion in the Antiproton Accumulator, a device on one side of the ring measures deviation of the particles from an ideal orbit, then sends a signal across the ring to a "kicker" that gives the beam an appropriate electric pinch.

When enough antiprotons have accumulated for a test run, they are sent back to the Proton Synchrotron for acceleration to that machine's maximum energy, 26

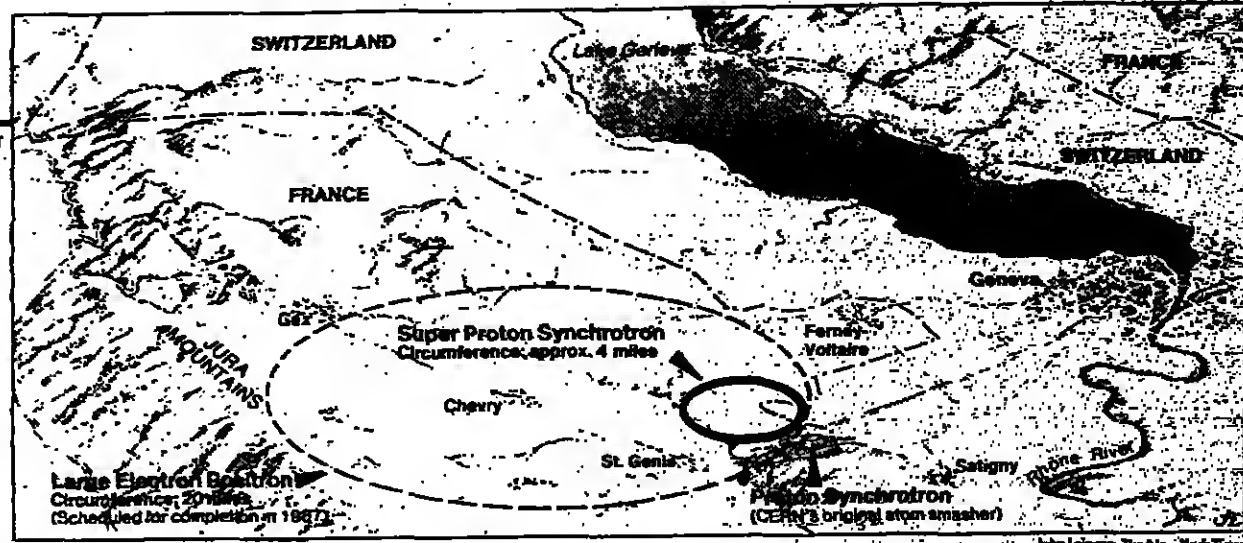
GeV. They are then delivered to the giant Super Proton Synchrotron for final counterclockwise acceleration.

The protons and antiprotons, circling 50,000 times a second in opposite directions and slightly different orbits around the four-mile ring, are then accelerated to 270 GeV. On each orbit they cross one another in two cavernous circular areas equipped with giant devices to record what happens after collisions.

The expected production rate is only about one W or Z particle per billion collisions. The particles

should be very short-lived—less than a billionth of a billionth of a second—but should decay in various predictable ways.

According to current theory, decay products of the positive W will fly off predominantly forward, while those from the negative W will fly backward. Rubbia, David A. Clarke of the University of Wisconsin and Simon van der Meer of CERN said in the March issue of Scientific American that observation of this effect will be taken as "strong evidence" that the sought particles have themselves been observed.



Translating the Smile

By Paul Rachum
The Associated Press

ATLANTA—There are grins, beams and smirks—1,814,400 ways in all to turn a frown upside down—and when the world smiles with you it can have a world of different meanings, Larry Stettner says.

Stettner, a psychologist at Wayne State University in Detroit, says smiling is complicated and important form of self-expression, and he believes that improved knowledge of it could have practical applications.

Besides, it feels good, Stettner said at a symposium on his favorite subject at a meeting of the International Primatological Society.

"It's like discovering a language system," he said. "I've become ensnared in working out the vocabulary of smiling." Stettner told the symposium that there are many different kinds of smiles—1,814,400, by his estimate. "That could be off by several hundred thousand," he added, not with a straight face.

He turned serious when explaining some of the practical applications of his work. "A lot of people are interested in smiles. People who study a foreign language, for example, ought to know what different smiles signify in different cultures. You learn a language but you don't learn the nonverbal language."

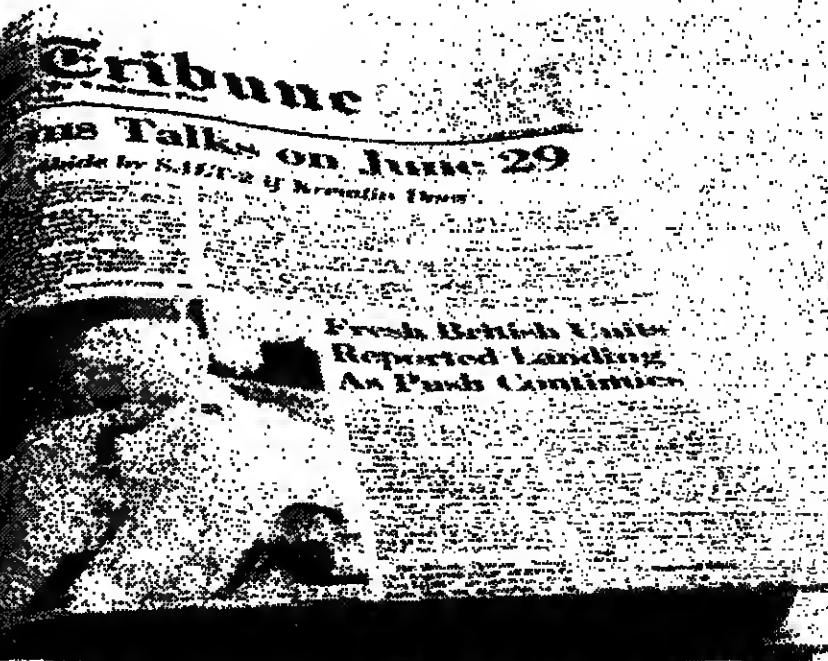
It can also be useful to know when someone is faking a smile. A colleague of Stettner's found on a recent trip to the Soviet Union that the KGB was very interested in knowing how to spot a false smile. They questioned him in detail about his work. Dentists and plastic surgeons would like to know more about smiling so that they can repair teeth and faces without changing the meaning in a patient's smile.

Stettner would like to determine which components of smiles—raised eyebrows, wrinkled noses, crow's feet around the eyes, for example—are universal and which are regional or peculiar to certain cultures.

Most of what is known about smiling comes from studies of infants and their parents. Sidney Perloe of Haverford College in Pennsylvania tried to determine why fathers tend to smile less at the antics of babies than mothers do.

It had been thought that fathers had less reason than mothers to develop rapport with infants because fathers play a smaller role in nurturing the infant. But Perloe found that males are less likely to smile simply because they are more aware that they are being watched by other adults and may fear that smiling at babies might be unbecoming.

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هكذا من الأصيل

BUSINESS BRIEFS

Electrolux Weighs AEG Acquisition

STOCKHOLM — Electrolux, the Swedish maker of home appliances, is exploring the possibility of acquiring the major household appliance business of AEG-Telefunken, the insolvent West German electrical group, according to Electrolux Managing Chairman Hans Werthen.

Mr. Werthen said that Electrolux had been in contact with AEG-Telefunken and was studying the possibilities of a takeover. But any decision would not be made for several months at the earliest, he said.

The units under consideration are three AEG-Telefunken subsidiaries that have filed for reorganization. They are AEG-Telefunken Hausgeräte, a maker of small appliances; Zaner and Neff-Werke, both makers of refrigerators and other kitchen equipment.

Intel, Siemens Production Accord

ISELIN, N.J. — Siemens of West Germany and Intel of the United States said Wednesday they will cooperate on an advanced generation of telecommunications circuits as an extension of an existing microprocessor agreement between the two companies.

The companies said the agreement specifies that certain advanced generation products of the two companies will be made compatible. It also provides that both companies will have the right to manufacture each others components.

Quick Acquires Specialist Brokerage

NEW YORK — Quick & Reilly, the second-largest U.S. discount brokerage firm, said Tuesday it had acquired for \$2.8 million the assets of Colin Hochstetler, a small institutional brokerage and specialist in trading the stocks of 27 companies on the New York Stock Exchange.

The acquisition came 10 days after Justin Colin, a senior partner in Colin Hochstetler, filed for protection from creditors under Chapter 11 of the Federal Bankruptcy Act and resigned from the firm. Approval of the \$2.8 million acquisition came after competing bids were made over the weekend by Carl Icahn, the New York financier.

Leslie C. Quick Jr., president of Quick & Reilly, said his company's main interest in Colin Hochstetler was its "specialist's book" — meaning the 27 stocks in which it has made a market on the floor of the New York Stock Exchange. "We've never been a specialist and we've been in the market to acquire one for a year and a half," Mr. Quick said.

Global's Bid for McFarlane Blocked

NEW YORK — A federal court has issued a temporary restraining order against the acquisition of McFarlane Oil by Global Natural Resources, a dissident committee said Wednesday.

The dissident group, which is headed by Bear Stearns & Co., said the federal district court in Cincinnati enjoined both Global and McFarlane from voting or attempting to vote any shares of Global issued to the owners of McFarlane at Global's annual general meeting scheduled for Sept. 13.

Last June, Global proposed to acquire McFarlane for \$44 million in cash and stock. The committee said Global made false and misleading statements and "omitted material facts," including the true value of McFarlane, in connection with the acquisition.

Bethlehem Steel Shuts Down Plant

BETHLEHEM, Pa. — Bethlehem Steel said Wednesday that it will shut down on Sept. 17 the electric furnace meltshop, primary mills and steel preparation facilities at its Johnstown, Pa., plant. About 700 employees will be affected by the closings.

Bethlehem Steel said the curtailment of steelmaking at Johnstown was intended to bring steelmaking operations and inventories in line with projections of an extended period of low steel demand. The length of the shutdown will depend upon business conditions but most likely will extend through the rest of the year, it said.

France Vows Continuation Of Restraints

PARIS — "France's Cabinet, under domestic and foreign pressure to prove it can halt France's economic slide," said Wednesday that it is sticking to its four-month austerity program aimed at curbing inflation and state spending and boosting production.

At a Cabinet meeting, Prime Minister Pierre Mauroy and Finance Minister Jacques Delors stressed the need for restraint and sacrifice, cornerstones of the Socialist government's policy since it imposed a wage and price freeze in June.

The austerity program, due to expire Oct. 31, has been strongly opposed by most trade unions, and Mr. Mauroy asked union leaders on Wednesday to moderate wage demands until the end of 1983 to help reduce inflation.

While the Cabinet met, the franc again was squeezed lower on foreign exchange markets, reflecting international pessimism over the country's economic outlook. The Bank of France sold about 25 million Deutsche marks to bolster the franc after it fell to a record low of 2.82 to the mark in early trading.

The Finance Ministry denied rumors on international markets that France was planning to withdraw from the European Monetary System as an alternative to further devaluations. It pledged continued French commitment to the EMS, which links most major West European currencies.

Economists say the success of the government's austerity policy will depend on whether the government can convince employers and unions to accept further restraint after Oct. 31.

According to presidential spokesman Jacques Attali, Mr. Mauroy told the Cabinet that price and income restraint and curbing state spending were among the government's priorities until the end of the year.

Mr. Attali said the government was also pursuing its drive to reduce unemployment — now static



Jacques Attali

at just over two million — by boosting production. Public and private investment would continue to be directed into key industries, Mr. Mauroy said.

Mr. Delors said service and manufacturing industries would be asked to sign anti-inflation agreements until the end of 1983. The state would keep rises in public charges below eight percent next year, he said.

Mr. Attali said companies that cooperated in fighting inflation would be allowed to fix prices competitively.

Economists have said that basing salaries on production, for example, could prove a stumbling block for the government, as some trade union leaders have already stressed they will not forego the right to free collective bargaining after the freeze.

Employers are opposed to further price restraint, arguing that they are being forced out of business.

The government will hold talks with different industrial and professional sectors on longer term policy after the end of the wage and price freeze, Mr. Attali said.

And in a move to encourage activity on the Paris Bourse, the Cabinet said it planned to continue the "Monitory Law" tax concession for people aged over 50. The law, due to expire at the end of this year, allows purchases of shares up to 5,000 francs to be set against taxes.

Oil Stocks Lead Rally On NYSE

Compiled by Our Staff From Dispatches

NEW YORK — Prices on the New York Stock Exchange, aided by strong oil issues, overcame a sputtering start and closed sharply and broadly higher Wednesday in heavy trading.

The Dow Jones industrial average was up only a few points most of the morning but then rose more than 16 points in the afternoon and closed up 9.99 points at 884.89. Advances overwhelmed declines by a 12-to-4 margin.

Volume reached 106.2 million shares, below Tuesday's 121.7 million but still the fourth largest total on record.

Analysis said rumors of a discount rate cut were the immediate cause of the rally. The discount rate, on funds loaned by the Federal Reserve to banks, is currently at 10 1/2 percent and has been reduced three times in the last two months.

The discount rate is read as a signal of Fed policy and analysts said a fourth reduction in the rate would demonstrate that the central bank is committed to relaxing credit restraints.

Analysts said institutional money managers swung into action along with the smaller investor when they saw early profit taking was not going to drive prices sharply lower. No one wanted to be left out of the rally.

As has been the case throughout, blue-chip issues were leading the afternoon surge that followed an earlier consolidation of activity of the past week and a half.

Analysts were somewhat divided in their predictions of the Dow Jones average's direction during the next few weeks.

Leonard Siegel, a vice president of New York-based Josephthal & Co., projected that the average would "retrace" between one-third and one-half of its last gain.

But Alfred E. Goldman, an analyst with A.G. Edwards & Sons of St. Louis, said of the Tuesday dip in the average: "It looks like the freight train just slowed down to take on some fuel, but it didn't derail."

Controversial market forecaster Joseph Granville, who had been rumored to be changing his recent gloomy pronouncements, instead warned subscribers to his newsletter that he had not changed his "bearish opinion one iota."

Mr. Granville, whose much-publicized predictions have been credited with sparking major market moves in the past, said stocks today present "a selling, not a buying opportunity."

Observers said oil stocks strengthened in the afternoon following Iraqi claims its warplanes bombed the main Iranian oil terminal at Kharg Island, off the Persian Gulf, scoring direct hits.

Among the oil issues posting gains were Exxon, up 1 1/4 to 29, Atlantic Richfield, up 2 1/4 to 38 1/2, and BP, up 1 1/4 to 20 1/2.



New York Stock Exchange workers booking stock orders.

NYSE Handles Volume, Handily

By Leonard Sloane

New York Times Service

NEW YORK — With the record-shattering stock market volume of recent days came the question of whether the stock exchanges and the brokers could keep up with the paperwork involved. The answer was a solid yes.

With hardly a ripple, the New York Stock Exchange handled 455.1 million shares last week — more than were traded in all of 1953 — including a record 132.69 million shares on Wednesday. On Monday and Tuesday of this week, volume has exceeded 100 million shares a day.

Virtually all the orders — about 82,000 on the record-volume day alone, including almost 2,500 blocks of 10,000 shares apiece — have been handled without a hitch. Such large volume, of course, also means large commissions for Wall Street brokerage firms.

Tuesday was the settlement day, when sellers had to deliver securities and buyers had to deliver cash, for trades that took place Aug. 17. That was the first day of the five in the last two weeks in which more than 90 million shares were traded.

Yet because of upgraded electronic trading and communications equipment, early reports indicated that the process was completed without undue strain on Wall Street personnel or equipment.

"I haven't seen any systems breakdowns, I haven't seen any machinery breakdowns, and I haven't seen any electronic breakdowns," said Samuel A. Alward, the NYSE senior vice president for operations and finance.

A Look at the Future

"If Congress and the SEC [Securities and Exchange Commission] wondered what a national market system should look like, they've seen a marvelous example at the New York Stock Exchange," said Donald Stone, a vice chairman of the exchange and a senior partner of the specialist firm of Lasker, Stone & Stern. The congressionally mandated national market system for trading securities, linking the exchanges and over-the-counter market, has slowly been evolving under SEC auspices.

The NYSE did ask its floor employees to arrive

(Continued on Page 9, Col. 1)

Dresser Agrees to Buy Harvester Unit

Compiled by Our Staff From Dispatches

CHICAGO — International Harvester said Wednesday it had agreed in principle to sell its construction-equipment business to Dresser Industries.

Terms of the cash transaction were not disclosed, but analysts put the value of the construction unit, which accounted for 10.6 percent of Harvester's 1981 sales of \$7 billion, at between \$150 million and \$300 million.

Some analysts had questioned whether Harvester would ever find a buyer for the division, and were surprised at the Dresser bid.

"It was a surprise to me. I didn't think it was going anywhere," said John McGinty, who follows Harvester for First Boston. "I'm surprised that anybody wanted it. The price must be incredibly cheap."

Mr. McGinty said the price was hard to guess because it was unclear how much of the division's outstanding receivables and unfunded pension liabilities —

thought to be about \$350 million — Harvester had retained.

A day earlier, West Germany's IHB Holding said disagreements over terms, particularly the pension liabilities, caused it to end discussions with Harvester on purchasing the construction equipment unit.

Harvester has been trying to sell the division as part of a sweeping reorganization. The recession in the construction business has severely constricted the division's sales.

In another move to raise cash, Harvester said Tuesday it will sell for cash its 30-percent equity interest in Steiger Tractor to Deutz, the U.S. unit of West Germany's Klöckner-Humboldt-Deutz.

Harvester did not disclose the price for its one million shares of Steiger common, currently trading at \$6.25.

Harvester said the decision to sell its Steiger interest reflects the

company's plan to dispose of its underutilized assets and redirect these additional resources to its core businesses of trucks and agricultural equipment.

Harvester has forecast that its loss for all of fiscal year 1982 will exceed \$900 million. The company is also seeking concessions from lenders to help shoulder its \$4.2-billion debt load.

Harvester said Dresser, a Dallas-based supplier of oil field and construction equipment, will buy its construction equipment plants at Libertyville, Ill., and Candiac, Quebec, and assets of other facilities. Dresser would continue to make IH products, which include wheeled and crawler tractors and loaders and scrapers, under the International, Payline and Hough names.

Mr. McGinty said Dresser could make the IH division profitable if it severely cut down the number of products being offered.

Bendix Makes Bid Of \$1.5 Billion for Martin Marietta

Compiled by Our Staff From Dispatches

SOUTHFIELD, Mich. — Bendix announced Wednesday that it intends to acquire all the common stock of Martin Marietta in a bid valued at more than \$1.5 billion.

Bendix, a worldwide manufacturer for the aerospace, electronic and automotive industries, said that it was making a tender offer of \$43 per share for 45 percent of the stock of Martin Marietta, a leader in the U.S. space and defense field.

The tender offer is a first step intended to lead to a combination of the two companies, a statement issued by Bendix said.

Bendix also said it intends to follow the offer, which has a Sept. 4 deadline, with an exchange of Bendix shares for the remaining Martin Marietta stock at a rate of 0.82 share of Bendix stock for each share of Martin Marietta. Martin Marietta has 35.6 million shares outstanding. Bendix currently owns 4.5 percent of Martin Marietta's stock.

The offer represents a substantial premium for Martin Marietta shareholders over current market prices. Bendix said, Martin Marietta stock gained \$6.125 a share Wednesday on the New York Stock Exchange to close at \$39. Bendix shares lost \$2.50 to \$50.

Bendix said it plans to finance the tender offer from internal sources and existing credit arrangements. William Agee, Bendix chairman and chief executive officer, said the management of Martin Marietta was informed of the offer in a letter delivered Wednesday morning.

Bendix said that in redeploying its internal resources to finance the

offer, it had no intention of reducing its holding of more than 7 percent in RCA.

When it acquired that holding in March, there was an acrimonious exchange of letters between Mr. Agee and RCA Chairman Thornton Bradshaw, in which the latter successfully fended off any further wooing on the part of Bendix.

Mr. Agee at that time indicated his desire to use some of the mountain of cash Bendix held — \$572.2 million at the time of their last annual report — to acquire a high-technology company.

Mr. Agee said the merger would contribute to a stronger national defense through greater financial resources, by broadening the base of technological skills and through more stable earnings in a more diversified defense enterprise.

Bendix has annual sales of more than \$4 billion while Martin Marietta's are more than \$3 billion.

Mr. Agee said he hopes that Martin Marietta management would remain with the combined company and that some directors at the Maryland company would want to join any combined board.

Bendix also said it has instituted proceedings in federal courts in several locations, including Maryland, in an attempt to block enforcement of certain state laws that could halt the tender offer.

A spokesman for Martin Marietta said the company was studying the offer. Analysts said that the company will probably fight the bid.

"My judgment is that Martin Marietta will object strenuously to this," said Elliot Fried of Shearson/American Express.

Earlier this week, Nissan Motors, Japan's second-largest automaker, announced it had signed a long-term agreement to obtain assistance from Martin Marietta in space and weapon technologies.

A Nissan spokesman said that in return for Martin Marietta's assistance in the technology, Nissan, makers of Datsun cars, is "considering" helping the U.S. company in the field of industrial robots.

Martin Marietta builds Titan intercontinental ballistic missiles, Pershing intermediate range ballistic missiles and Patriot surface-to-air missiles.

CURRENCY RATES

Interbank exchange rates for Aug. 25, excluding bank service charges.

	\$	£	D.M.	F.F.	ItL	G.M.	B.P.	S.F.	D.C.
Amsterdam	2.26	4.48	36.15	6.55	1.36	17.38	5.28	12.85	31.81
Brussels (a)	46.54	92.22	19.275	6.826	3.396	71.28	5.282	118.43	28.65
Frankfurt	2.4718	4.275	35.21	36.284	2.418	4.972	92.29	2.856	14.394
London (b)	1.2920	2.4718	36.21	36.21	2.418	4.972	92.29	2.856	14.394
Paris	1.3620	2.4718	36.21	36.21	2.418	4.972	92.29	2.856	14.394
New York	1.3620	2.4718	36.21	36.21	2.418	4.972	92.29	2.856	14.394
Porto	4.815	12.856	28.147	4.9715	2.418	4.972	92.29	2.856	14.394
Zurich	2.338	4.645	36.21	36.21	2.418	4.972	92.29	2.856	14.394
1 ECU	0.7773	0.594	2.329	6.493	129.54	2.951	65.329	1.584	8.222
1 SDR	1.8941	0.6225	2.626	7.4925	150.57	2.921	51.158	2.248	9.2645

	\$	£	D.M.	F.F.	ItL	G.M.	B.P.	S.F.	D.C.
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New York	1.3620	2.4718	36.21	36.21	2.418	4.972	92.29	2.856	14.394
Porto	4.815	12.856	28.147	4.9715	2.418	4.972	92.29	2.856	14.394
Zurich	2.338	4.645	36.21	36.21	2.418	4.972	92.29	2.856	14.394
1 ECU	0.7773	0.594	2.329	6.493	129.54	2.951	65.329	1.584	8.222
1 SDR	1.8941	0.6225	2.626	7.4925	150.57	2.921	51.158	2.248	9.2645

GM-Toyota Plan Faces Antitrust Study

By Sam Jameson

Los Angeles Times Service

TOKYO — James Miller, chairman of the U.S. Federal Trade Commission, said Wednesday that he was "aware" that General Motors and Toyota may soon "formally propose" a joint venture to produce cars in the United States.

Both Mr. Miller and William F. Baxter, assistant attorney general for antitrust affairs, said they would review carefully such a proposal but could not give a "categorical answer" as to whether a tie-up between America's and Japan's largest automakers would pass an antitrust test.

It was the first time U.S. antitrust officials had commented publicly about the GM-Toyota negotiations, which were announced March 8.

On Tuesday Toshio Morita, Toyota vice president, who is in charge of the Toyota working-level negotiating team, told Japanese reporters in Nagoya that details that would allow such a joint venture to operate profitably had been "almost worked out." Mr. Morita also said he wanted to "complete working level talks by the end of September."

The issues of profitability and U.S. antitrust laws had been cited

by Toyota as the two chief obstacles to a joint venture that GM officials have made clear would be located in California, if an agreement is reached and approved.

Mr. Baxter said approval of a GM-Toyota joint venture plan "would depend on the extent to which the two companies are already in competition and the extent to which the joint venture [would be] a substitute for [present] production and competition."

If the two auto giants propose to produce a product neither of them now produce, "then there would be very little likelihood that the venture would give rise to an antitrust problem," Mr. Baxter said.

"But if the venture involved production of a very wide range of automobiles — so wide that one suspected both GM and Toyota would give up production they had been engaged in heretofore — that would begin to look very much like a merger and would have to be examined as if it were a merger," he added.

After telling newsmen at a press conference that he agreed with Mr. Baxter's comments, Mr. Miller added that his Federal Trade Commission would also examine whether a GM-Toyota joint venture "might give rise to the two

companies colluding over the prices [of automobiles] and the products they are presently producing — even if the joint venture proposed to manufacture a new product.

Merger Guidelines

In that case also, the proposal would be examined by the Federal Trade Commission as if it were a proposal for a merger, Mr. Miller said.

Guidelines on mergers approved by both the Justice Department and the FTC would be applied in judging an application if a decision is made that the joint venture bid should be regarded as if it were a merger, Mr. Miller added.

Mr. Baxter and Mr. Miller met newsmen after two days of talks focused on antitrust issues with Japanese officials. In those talks, Mr. Baxter said Japanese officials were given assurances that a series of three legal actions taken against Japanese companies in the United States did not represent "a coordi-

nated U.S. government campaign to embarrass or 'get' Japanese."

Both Mr. Miller and Mr. Baxter acknowledged that charges filed against two large Japanese electronics companies accused of attempted to steal IBM secrets, a fine against a large Japanese trading company for dumping steel, and the opening of an investigation into the sales of Japanese-made computer-memory chips had created in Japan the "perception" of an organized U.S. effort to single out Japanese companies.

"That is not true. We assured officials it is not true," Mr. Baxter said.

Mr. Miller said neither he nor Mr. Baxter had made any requests that Japan carry out institutional changes to give easier access to the Japanese market for U.S. products.

In his press conference, Mr. Baxter cited only import associations as a possible antitrust factor in blocking entry of U.S. products into Japan.

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THE COUNCIL OF EUROPE RESETTLEMENT FUND FOR NATIONAL REFUGEES AND OVER-POPULATION IN EUROPE

Lux.Fes. 500,000,000.- 7% 1972/1987

Holders of the above mentioned issue are herewith informed that the annual redemption instalment due September 15th, 1982 covering a nominal amount of Lux.Fes. 50,000,000.- has been partially satisfied by bonds repurchased in the market of an amount of Lux.Fes. 44,100,000.- and partially by drawing by lot of the remaining Lux.Fes. 5,900,000.-.

The bonds so drawn bear the following numbers: 6304/7; 6309/11; 6315/17; 6319/21; 6323/27; 6329/31; 6333/37; 6339/41; 6343/47; 6349/51; 6353/57; 6357/61; 6363/67; 6369/71; 6373/77; 6379/81; 6383/87; 6389/91; 6393/97; 6399/101; 6403/107; 6409/111; 6413/117; 6419/121; 6425/127; 6429/131; 6433/137; 6439/141; 6443/147; 6449/151; 6453/157; 6459/161; 6463/167; 6469/171; 6473/74.

These bonds are redeemable at par and cease to bear interest on September 15th, 1982. The amount remaining outstanding from September 15th, 1982 on will be Lux.Fes. 250,000,000.-.

BANQUE INTERNATIONALE A LUXEMBOURG
Société Anonyme
Luxembourg, August 24, 1982.

U.S. \$650,000,000

Dow Jones Averages

Ind. Ave.	1,185.12	118.51
Comp. & Bus.	1,185.12	118.51
Transp.	1,185.12	118.51
Finance	1,185.12	118.51
Health	1,185.12	118.51
Energy	1,185.12	118.51
Chemicals	1,185.12	118.51
Metals	1,185.12	118.51
Food	1,185.12	118.51
Textiles	1,185.12	118.51
Apparel	1,185.12	118.51
Shoes	1,185.12	118.51
Furniture	1,185.12	118.51
Electronics	1,185.12	118.51
Telecom	1,185.12	118.51
Media	1,185.12	118.51
Recreation	1,185.12	118.51
Services	1,185.12	118.51
Real Estate	1,185.12	118.51
Utilities	1,185.12	118.51
Government	1,185.12	118.51
Foreign	1,185.12	118.51
Global	1,185.12	118.51

Market Summary, Aug. 25

Market Diaries

NYSE	AMEX	Volume	Adv.	Ret.	Net
1,185.12	1,185.12	1,185.12	1,185.12	1,185.12	1,185.12

NYSE Index

Ind. Ave.	1,185.12
Comp. & Bus.	1,185.12
Transp.	1,185.12
Finance	1,185.12
Health	1,185.12
Energy	1,185.12
Chemicals	1,185.12
Metals	1,185.12
Food	1,185.12
Textiles	1,185.12
Apparel	1,185.12
Shoes	1,185.12
Furniture	1,185.12
Electronics	1,185.12
Telecom	1,185.12
Media	1,185.12
Recreation	1,185.12
Services	1,185.12
Real Estate	1,185.12
Utilities	1,185.12
Government	1,185.12
Foreign	1,185.12
Global	1,185.12

Standard & Poots Index

Ind. Ave.	1,185.12
Comp. & Bus.	1,185.12
Transp.	1,185.12
Finance	1,185.12
Health	1,185.12
Energy	1,185.12
Chemicals	1,185.12
Metals	1,185.12
Food	1,185.12
Textiles	1,185.12
Apparel	1,185.12
Shoes	1,185.12
Furniture	1,185.12
Electronics	1,185.12
Telecom	1,185.12
Media	1,185.12
Recreation	1,185.12
Services	1,185.12
Real Estate	1,185.12
Utilities	1,185.12
Government	1,185.12
Foreign	1,185.12
Global	1,185.12

Odd-Lot Trading in N.Y.

Ind. Ave.	1,185.12
Comp. & Bus.	1,185.12
Transp.	1,185.12
Finance	1,185.12
Health	1,185.12
Energy	1,185.12
Chemicals	1,185.12
Metals	1,185.12
Food	1,185.12
Textiles	1,185.12
Apparel	1,185.12
Shoes	1,185.12
Furniture	1,185.12
Electronics	1,185.12
Telecom	1,185.12
Media	1,185.12
Recreation	1,185.12
Services	1,185.12
Real Estate	1,185.12
Utilities	1,185.12
Government	1,185.12
Foreign	1,185.12
Global	1,185.12

Dow Jones Bond Averages

Ind. Ave.	1,185.12
Comp. & Bus.	1,185.12
Transp.	1,185.12
Finance	1,185.12
Health	1,185.12
Energy	1,185.12
Chemicals	1,185.12
Metals	1,185.12
Food	1,185.12
Textiles	1,185.12
Apparel	1,185.12
Shoes	1,185.12
Furniture	1,185.12
Electronics	1,185.12
Telecom	1,185.12
Media	1,185.12
Recreation	1,185.12
Services	1,185.12
Real Estate	1,185.12
Utilities	1,185.12
Government	1,185.12
Foreign	1,185.12
Global	1,185.12

Wednesday's NYSE Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

Table with 10 columns: Stock, High, Low, Stock, High, Low, Stock, High, Low, Stock, High, Low. Contains numerous stock entries and their price ranges.

Table with 10 columns: Stock, High, Low, Stock, High, Low, Stock, High, Low, Stock, High, Low. Contains numerous stock entries and their price ranges.

Table with 10 columns: Stock, High, Low, Stock, High, Low, Stock, High, Low, Stock, High, Low. Contains numerous stock entries and their price ranges.

Table with 10 columns: Stock, High, Low, Stock, High, Low, Stock, High, Low, Stock, High, Low. Contains numerous stock entries and their price ranges.

Table with 10 columns: Stock, High, Low, Stock, High, Low, Stock, High, Low, Stock, High, Low. Contains numerous stock entries and their price ranges.

Table with 10 columns: Stock, High, Low, Stock, High, Low, Stock, High, Low, Stock, High, Low. Contains numerous stock entries and their price ranges.

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COMPANY REPORTS
Revenue and profits, in millions, are in local currencies unless otherwise indicated.

Company	Revenue	Profit
Canada		
Bank of Montreal	1,185.12	118.51
Japan		
Arabian Oil	1,185.12	118.51
United States		
First Interstate	1,185.12	118.51

ASK FOR IT EVERY DAY EVERYWHERE YOU GO.
International Herald Tribune

هكذا من الناحية

Tables include the nationwide prices up to the closing on Wall Street.

Open	High	Low	Settle	Chg
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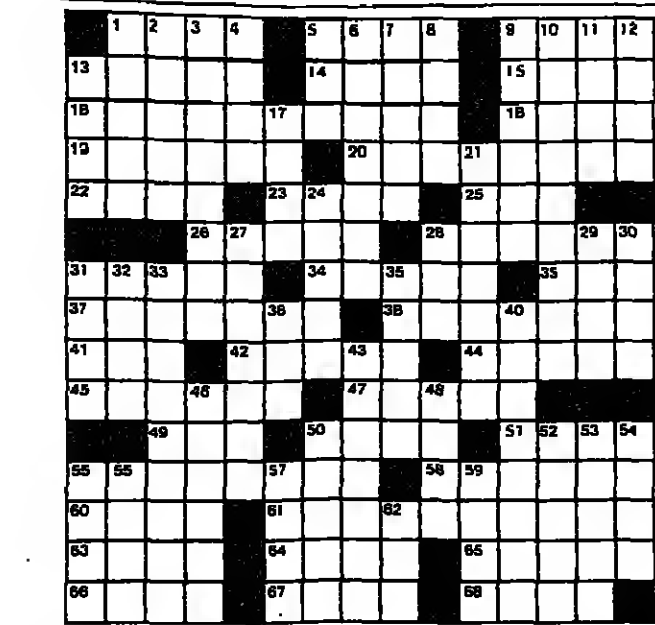
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IN 2.75pd
G 2.17pd
Q 7.40pd
C 2.12pd

[illegible]

هكذا من الأصيل

CROSSWORD



- ACROSS**
- 1 "Beat it!"
5 Bedrowsy
9 Nikolai, e.g.
13 Lye's cousin
14 Above, to Hans
15 Six: Comb. form
16 Pennsylvania college
18 British college
19 Tennyson's "lily maid"
20 Pennsylvania college
22 Arm bone
23 Temple U. students
25 Deighton or Dawson
26 Japanese-American
28 Fraternity activities
31 Judges' perches
34 S.A. range
36 Cleo's way out
37 Pennsylvania pr.
39 Armpits
41 Bully
42 Cap in baseball's Hall of Fame
44 Esteem
45 Federal offense
- DOWN**
- 1 Oar
2 Cagney played him
3 Pennsylvania college
4 Comics hero
5 Add sound
6 Failing marks
7 Work units
8 English assignments
10 New Jersey university
11 Dendrite's companion
12 Pop off
- ACROSS**
- 47 Freshen
49 Like this number
50 Pablo's strong agreement
51 Agitate
55 Bargain event
58 Art-class item
60 Singer Paul
61 Ohio university
63 Galley word
64 — part (pretend)
65 West word
66 Split
67 Consider
68 Alaska, once: Abbr.
- DOWN**
- 13 Australian bird
17 Modernists
21 Baffling
24 Has on
27 Wake and Block
28 Harrison or Reed
29 Jacob's brother
30 Graf
31 Coll. degrees
32 Over
33 Typical Hunter College student
35 Some Invaders of Britain
40 Sarah
43 Cuban province
46 Think
48 Unless: Lat.
50 Out a rasher
52 Buoyantly
53 Bury
54 Retreat
55 Strict diet
56 Math-class word
57 Andover or Exeter: Abbr.
59 "What's for me?"
62 Wheel piece

WEATHER

	HIGH	LOW		HIGH	LOW
ALGARVE	27	21	LOS ANGELES	77	64
ALGERIA	32	26	MADRID	77	64
AMSTERDAM	19	14	MANILA	29	24
ANKARA	38	32	MEXICO CITY	24	19
ATHENS	32	26	MILAN	24	19
AUCKLAND	14	10	MONTREAL	46	33
BANGKOK	33	24	MOSCOW	21	15
BEIRUT	24	19	MUNICH	29	24
BERLIN	21	16	NAIROBI	22	17
BIRMINGHAM	22	17	NASSAU	28	23
BOSTON	22	17	NEW DELHI	30	25
BRUSSELS	22	17	NEW YORK	27	22
BUCHAREST	22	17	NICE	27	22
BUDAPEST	22	17	OSLO	41	36
BUEENOS AIRES	22	17	PARIS	27	22
CAIRO	34	29	PEKING	22	17
CAPE TOWN	15	10	PRAGUE	26	21
CASABLANCA	26	21	RYKJAVIK	14	9
CHICAGO	28	23	SAO PAULO	26	21
COPENHAGEN	28	23	SEOUL	26	21
COSTA MESA	28	23	SHANGHAI	22	17
DUBLIN	17	12	SINGAPORE	30	25
EDINBURGH	15	10	STOCKHOLM	26	21
FLORENCE	24	19	SYDNEY	27	22
FRANKFURT	24	19	TAIPEI	27	22
GENEVA	24	19	TEL AVIV	30	25
HARARE	21	16	TOYO	31	26
HELSINKI	16	11	WASHINGTON	24	19
HONG KONG	32	27	ZURICH	26	21
HOUSTON	26	21			
JERUSALEM	27	22			
LAS PALMAS	27	22			
LIMA	21	16			
LONDON	18	13			

Readings from the previous 24 hours.

ADVERTISEMENT INTERNATIONAL FUNDS

The net asset value quotations shown below are supplied by the Funds listed with the exception of some funds whose values are based on last available closing prices. All values are in U.S. dollars. (m) = monthly; (q) = quarterly; (a) = annually; (b) = bi-monthly; (c) = semi-annually; (d) = daily; (e) = weekly; (f) = monthly; (g) = bi-monthly; (h) = quarterly; (i) = semi-annually; (j) = annually; (k) = monthly; (l) = quarterly; (m) = semi-annually; (n) = annually; (o) = monthly; (p) = quarterly; (q) = semi-annually; (r) = annually; (s) = monthly; (t) = quarterly; (u) = semi-annually; (v) = annually; (w) = monthly; (x) = quarterly; (y) = semi-annually; (z) = annually; (aa) = monthly; (ab) = quarterly; (ac) = semi-annually; (ad) = annually; (ae) = monthly; (af) = quarterly; (ag) = semi-annually; (ah) = annually; (ai) = monthly; (aj) = quarterly; (ak) = semi-annually; (al) = annually; (am) = monthly; (an) = quarterly; (ao) = semi-annually; (ap) = annually; (aq) = monthly; (ar) = quarterly; (as) = semi-annually; (at) = annually; (au) = monthly; (av) = quarterly; (aw) = semi-annually; (ax) = annually; (ay) = monthly; (az) = quarterly; (ba) = semi-annually; (bb) = annually; (bc) = monthly; (bd) = quarterly; (be) = semi-annually; (bf) = annually; (bg) = monthly; (bh) = quarterly; (bi) = semi-annually; (bj) = annually; (bk) = monthly; (bl) = quarterly; (bm) = semi-annually; (bn) = annually; (bo) = monthly; (bp) = quarterly; (bq) = semi-annually; (br) = annually; (bs) = monthly; (bt) = quarterly; (bu) = semi-annually; (bv) = annually; (bw) = monthly; (bx) = quarterly; (by) = semi-annually; (bz) = annually; (ca) = monthly; (cb) = quarterly; (cc) = semi-annually; (cd) = annually; (ce) = monthly; (cf) = quarterly; (cg) = semi-annually; (ch) = annually; (ci) = monthly; (cj) = quarterly; (ck) = semi-annually; (cl) = annually; (cm) = monthly; (cn) = quarterly; (co) = semi-annually; (cp) = annually; (cq) = monthly; (cr) = quarterly; (cs) = semi-annually; (ct) = annually; (cu) = monthly; (cv) = quarterly; (cw) = semi-annually; (cx) = annually; (cy) = monthly; (cz) = quarterly; (da) = semi-annually; (db) = annually; (dc) = monthly; (dd) = quarterly; (de) = semi-annually; (df) = annually; (dg) = monthly; (dh) = quarterly; (di) = semi-annually; (dj) = annually; (dk) = monthly; (dl) = quarterly; (dm) = semi-annually; (dn) = annually; (do) = monthly; (dp) = quarterly; (dq) = semi-annually; (dr) = annually; (ds) = monthly; (dt) = quarterly; (du) = semi-annually; (dv) = annually; (dw) = monthly; (dx) = quarterly; (dy) = semi-annually; (dz) = annually; (ea) = monthly; (eb) = quarterly; (ec) = semi-annually; (ed) = annually; (ee) = monthly; (ef) = quarterly; (eg) = semi-annually; (eh) = annually; (ei) = monthly; (ej) = quarterly; (ek) = semi-annually; (el) = annually; (em) = monthly; (en) = quarterly; (eo) = semi-annually; (ep) = annually; (eq) = monthly; (er) = quarterly; (es) = semi-annually; (et) = annually; (eu) = monthly; (ev) = quarterly; (ew) = semi-annually; (ex) = annually; (ey) = monthly; (ez) = quarterly; (fa) = semi-annually; (fb) = annually; (fc) = monthly; (fd) = quarterly; (fe) = semi-annually; (ff) = annually; (fg) = monthly; (fh) = quarterly; (fi) = semi-annually; (fj) = annually; (fk) = monthly; (fl) = quarterly; (fm) = semi-annually; (fn) = annually; (fo) = monthly; (fp) = quarterly; (fq) = semi-annually; (fr) = annually; (fs) = monthly; (ft) = quarterly; (fu) = semi-annually; (fv) = annually; (fw) = monthly; (fx) = quarterly; (fy) = semi-annually; (fz) = annually; (ga) = monthly; (gb) = quarterly; (gc) = semi-annually; (gd) = annually; (ge) = monthly; (gf) = quarterly; (gg) = semi-annually; (gh) = annually; (gi) = monthly; (gj) = quarterly; (gk) = semi-annually; (gl) = annually; (gm) = monthly; (gn) = quarterly; (go) = semi-annually; (gp) = annually; (gq) = monthly; (gr) = quarterly; (gs) = semi-annually; (gt) = annually; (gu) = monthly; (gv) = quarterly; (gw) = semi-annually; (gx) = annually; (gy) = monthly; (gz) = quarterly; (ha) = semi-annually; (hb) = annually; (hc) = monthly; (hd) = quarterly; (he) = semi-annually; (hf) = annually; (hg) = monthly; (hh) = quarterly; (hi) = semi-annually; (hj) = annually; (hk) = monthly; (hl) = quarterly; 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(jp) = quarterly; (jq) = semi-annually; (jr) = annually; (js) = monthly; (jt) = quarterly; (ju) = semi-annually; (jv) = annually; (jw) = monthly; (jx) = quarterly; (jy) = semi-annually; (jz) = annually; (ka) = monthly; (kb) = quarterly; (kc) = semi-annually; (kd) = annually; (ke) = monthly; (kf) = quarterly; (kg) = semi-annually; (kh) = annually; (ki) = monthly; (kj) = quarterly; (kk) = semi-annually; (kl) = annually; (km) = monthly; (kn) = quarterly; (ko) = semi-annually; (kp) = annually; (kq) = monthly; (kr) = quarterly; (ks) = semi-annually; (kt) = annually; (ku) = monthly; (kv) = quarterly; (kw) = semi-annually; (kx) = annually; (ky) = monthly; (kz) = quarterly; (la) = semi-annually; (lb) = annually; (lc) = monthly; (ld) = quarterly; (le) = semi-annually; (lf) = annually; (lg) = monthly; (lh) = quarterly; (li) = semi-annually; (lj) = annually; (lk) = monthly; (ll) = quarterly; (lm) = semi-annually; (ln) = annually; (lo) = monthly; (lp) = quarterly; (lq) = semi-annually; (lr) = annually; (ls) = monthly; (lt) = quarterly; (lu) = semi-annually; (lv) = annually; (lw) = monthly; (lx) = quarterly; (ly) = semi-annually; (lz) = annually; (ma) = monthly; (mb) = quarterly; (mc) = semi-annually; (md) = annually; (me) = monthly; (mf) = quarterly; (mg) = semi-annually; (mh) = annually; (mi) = monthly; (mj) = quarterly; (mk) = semi-annually; (ml) = annually; (mn) = monthly; (mo) = quarterly; (mp) = semi-annually; (mq) = annually; (mr) = monthly; (ms) = quarterly; (mt) = semi-annually; (mu) = annually; (mv) = monthly; (mw) = quarterly; (mx) = semi-annually; (my) = annually; (mz) = monthly; (na) = quarterly; (nb) = semi-annually; (nc) = annually; (nd) = monthly; (ne) = quarterly; (nf) = semi-annually; (ng) = annually; (nh) = monthly; (ni) = quarterly; (nj) = semi-annually; (nk) = annually; (nl) = monthly; (nm) = quarterly; (no) = semi-annually; (np) = annually; (nq) = monthly; (nr) = quarterly; (ns) = semi-annually; (nt) = annually; (nu) = monthly; (nv) = quarterly; (nw) = semi-annually; (nx) = annually; (ny) = monthly; (nz) = quarterly; (oa) = semi-annually; (ob) = annually; (oc) = monthly; (od) = quarterly; (oe) = semi-annually; (of) = annually; (og) = monthly; (oh) = quarterly; (oi) = semi-annually; (oj) = annually; (ok) = monthly; (ol) = quarterly; (om) = semi-annually; (on) = annually; (oo) = monthly; (op) = quarterly; (oq) = semi-annually; (or) = annually; (os) = monthly; (ot) = quarterly; (ou) = semi-annually; (ov) = annually; (ow) = monthly; (ox) = quarterly; (oy) = semi-annually; (oz) = annually; (pa) = monthly; (pb) = quarterly; (pc) = semi-annually; (pd) = annually; (pe) = monthly; (pf) = quarterly; (pg) = semi-annually; (ph) = annually; (pi) = monthly; (pj) = quarterly; (pk) = semi-annually; (pl) = annually; (pm) = monthly; (pn) = quarterly; (po) = semi-annually; (pp) = annually; (pq) = monthly; (pr) = quarterly; (ps) = semi-annually; (pt) = annually; (pu) = monthly; (pv) = quarterly; (pw) = semi-annually; (px) = annually; (py) = monthly; (pz) = quarterly; 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LETTER FROM MOSCOW

Living in the 'Norm'

By Veronika Minthorn

MOSCOW — Victor, a 39-year-old mechanic, has been divorced for more than three years, but he is still living in a cramped one-room apartment with his former wife, Tatyana, and their daughter.

His predicament is not uncommon. The Soviet Union has long suffered from a housing shortage caused by the destruction of two world wars, rapid urbanization and decades of neglect of the housing sector.

Victor could move into a dormitory at his factory, but he prefers to remain in the apartment, hoping that he will eventually be allocated one of his own.

Three-quarters of all apartments in the Soviet Union are built by the state and allocated by local authorities or state factories. The rest are built by collective farms and housing cooperatives heavily subsidized by the state. Millions of people still live in dormitories or "communal flats," sharing kitchens and bathrooms with other families.

There is a national construction program that claims to build 5,600 new apartments a day, but many of these apartments exist only on paper. A rare official glimpse of this problem was given in April in a People's Control Committee report published in the Communist Party newspaper Pravda. It said that an apartment block, "long finished on paper," turned out to be uninhabitable: it had no doors or windows, no floors, no sanitary installations and no heating.

Eighty percent of the urban population and "the majority" of rural dwellers have apartments or cottages of their own, officials say.

"It will take at least another eight to nine years to do away with the housing shortage," Gennadiy Fomin, chairman of the State Committee for Civil Construction, told the English-language Moscow News earlier this month.

But a Western diplomat cast doubt even on that prediction: "They only think of the existing shortage, not of future needs. Every year newlyweds want their own apartments and divorcees want to move out of the family flat."

In 1981, 2.5 million weddings and more than 800,000 divorces were registered in the Soviet Union. Most newlyweds start married life in the already cramped apart-

ment of one or the other set of parents. Divorced couples, like Victor and Tatyana, may have to live together for years before one of them finds another place.

The shortage is aggravated by poor maintenance and the low quality of repair work. Large-scale renovation is a major problem, judging by continuous newspaper reports of tenants' complaints.

Vechernyaya Moskva, the newspaper of the Moscow city Communist Party and the mayor's office, recently reported on a renovation job: "When people moved back into their flats, they found that doors and windows wouldn't close, floors had large cracks and in some apartments electrical cables were hanging out of the walls."

"Not long ago, one tenant, walking down the front stairs, missed his step, fell and was almost run over by a bus. Why? The renovation brigade built the front stairs in such a way that they came right to the curb."

Soviet citizens automatically assume that, if they get a new apartment with bathroom and kitchen, they will have to do all the finishing work themselves and that the shoddy workmanship may make immediate repairs necessary.

The housing law establishes a "living space norm" of 100 square feet (nine square meters) per person, but the norm is often modified or ignored by local housing officials so that there is far less space than that. "It is mistaken to think that every family which has less space [than the norm] will automatically be put on the list of those needing better housing," the newspaper Socialist Industry reported earlier this year.

In Moscow, for example, only families with less than 60 square feet of living space per person will be put on the emergency list, the report said. The law also says that boys and girls over age 9 should not share a room, but this does not apply to families that are "close to the living space norm," the newspaper explained.

The one bright spot is that rents are among the lowest in the industrialized world and have not increased since 1928. Utility charges are also low. For a two-room apartment of 444 square feet, the monthly rent is 6 rubles (about \$10), and charges for heating, hot water, electricity and gas total no more than 3 rubles a month.

Art Buchwald is on vacation.

Reunion in Yoknapatawpha County

Faulkner Conference Is Serious and Silly, but Never Dull

By Gregory Jaynes

New York Times Service

OXFORD, Miss. — They were picking over William Faulkner's life and work again here this month, finding symbolism in ruined Southern mansions and metaphor in the dripping honeysuckle and drooping magnolia, and savoring dog-eared anecdotes as a trencherman savors duck.

More than 80 diehards were on hand for the ninth annual Faulkner and Yoknapatawpha Conference, with its seminars, tours and picnics in the author's hometown. Oxford, seat of Lafayette County, was Jefferson, seat of Yoknapatawpha County, under Faulkner's pen. The Nobel laureate died 20 years ago, a little ahead of integration, a topic that foreigners persist in quizzing Mississippians about.

The conference was at once serious and silly, but never dull. One could hear a Faulknerian say, "Well, I went to the Louvre and I was able to determine what was hanging when Faulkner was in France. We know he saw the Mamelles and the Mamelles and there was some Cassius, and Picasso is questionable. I think I'm about to change my mind on whether Faulkner was a cubist. Joanne says he was a cubist, and that's a tenable position."

Or one could pop in on a seminar and hear the French explain a faux pas of translation: Somewhere along the line Faulkner wrote of a character's "innocence" and the French translated that to "virginity," which was certainly not the case. Conferees decided it would have been better all around if Faulkner had written what he surely meant, which was "naivete," but there is no going back now.

Labor-Saving Tree

The author's nephew, Jimmy Faulkner, a look-alike except for height, gave his slide show and talk for the umpteenth time, and people who had seen it again and again laughed genuinely at stories they knew as well as their own family lore. For example, the novelist was "the most even-tempered man you ever met...he was mad as hell all the time."

Jimmy Faulkner, who uses a U

in his name, like his uncle, while the rest of the Faulkners do not, introduced his mother, Dolly Faulkner. He told the audience that she had kept a plastic Christmas tree in her parlor year-round for the last nine years, to save herself a day's labor once a year trimming a tree and another day's labor taking it down.

Bill Chaze, son of a newspaper editor in Hattiesburg, Miss., and himself a journalist, had another story. Chaze had been digging through Oxford a few weeks earlier for the bizarre and the peculiar that streak through Faulkner's art like the veins of chocolate in a bowl of fudge ripple ice cream. He had looked in on Dolly Faulkner and asked about the tree. She aimed a blackthorn cane at it and snapped: "Because I like it and because I want it there."

That's the only good reason for doing anything in this world."

Midway through the conference, everyone trooped out to Rowan Oak, the Faulkner estate, for a picnic, a look at the light in the room, a reminder that the author did not favor air conditioning, of which he once said, "They're trying to do away with weather."

There were also bus tours of the Mississippi Delta and house tours of antebellum decadence. The University of Mississippi's English department and Center for the Study of Southern Culture sponsors this annual affair, and charges a flat \$100 for a week, Sunday through Friday, of full Faulkner immersion. The guides are delightful, as in the case of one Hubert McAlexander, who is an authority on his birthplace, Holly Springs, Miss.

McAlexander explained that, all across the United States, people lie about how old their houses are. He said the tourists would be told that a house was built in 1812, for instance, but in truth nothing was built in the area before 1836. He said that he would correct everything when they were on the bus, but that in the houses everyone should be careful not to offend the owners.

"These old people don't permit questions," he said. "For instance, Whitfield is the insane asylum in Mississippi, and my mother once said of a contemporary of mine that he is both a doctor and a patient down at Whitfield. Somebody said, well, did I ask about that, and I said I wouldn't touch it."

At one point in the tour, McAlexander asked: "Anybody in here kin to anybody in Holly Springs? OK, let me say this: If you want to buy it, you should know this house was redone by a vulgarian. It's no problem, though — you just paint over everything she's done."

Lunch was served by Geraldine Ghosh in her house in Holly Springs. "You from Moscow?" she asked Alexander Vashchenko, who like Chakovsky, is a fellow at the Gorky Institute of World Literature.

"You ever had grits?"

"No."

"These are grits."

"Interesting."

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